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CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

ARMS CONTROL & DISARMAMENT

Yeltsin To Visit 'Arzamas-16' Nuclear Center *[TASS]* 1
Yeltsin's Joint Defense Proposal Faulted *[LITERATURNAYA GAZETA 26 Feb]* 1
Chemical, Biological Weapons Committee Set Up *[ROSSIYSKAYA GAZETA 28 Feb]* 2
Kozyrev Disarmament Plan Deemed 'Unfeasible' *[NEZAVISIMAYA GAZETA 28 Feb]* 2
Nazarbayev Will Not Give Up Weapons 'Quickly' *[Mainz TV]* 3
Enriched Uranium Sales Reports Discounted *[Moscow TV]* 4
Uranium Enrichment Industry Reorganizing *[NEZAVISIMAYA GAZETA 27 Feb]* 5

INTERNATIONAL AFFAIRS

Woerner Views CIS Striving for Stability *[KRASNAYA ZVEZDA 27 Feb]* 7
NATO Seeks 'New Image' in CIS, East Europe *[LITERATURNAYA GAZETA 26 Feb]* 8
Strasbourg Conference Results Evaluated *[TASS]* 9
CIS Army Chief Meets China's Defense Minister *[TASS]* 9
Fleet Spokesman on 'Unique' Sub Collision *[TASS]* 9
International Role in Nagorno-Karabakh Viewed *[IZVESTIYA 22 Feb]* 10
Iranian Mission Reflects Quest for Influence *[IZVESTIYA 27 Feb]* 11
'Concern' Over Iranian Influence in CIS Grows *[Moscow International]* 12
Turkey's Cetin Visits CIS, Not Armenia *[INTERFAX]* 12
Turkey Reassures Republics on 'Normal' Exercises *[ROSSIYSKAYA GAZETA 22 Feb]* 12
Italy 'Strengthening' Foreign Trade With CIS *[TASS]* 13
Ways of Introducing National Currency Explored *[TASS]* 13
CIS Troop Withdrawal To Begin From Lithuania *[Moscow International]* 13

INTERREGIONAL AFFAIRS

Commonwealth

Communique Urges Interparliamentary Cooperation 15
Next Meeting in Alma-Ata *[TASS]* 15
Four Agreements Approved *[TASS]* 15
CIS Officials Comment *[Russian TV]* 15

Military

Shaposhnikov Hopes for 'New Type' of Forces *[Russian TV]* 15
North Fleet Helicopter Crashes in Barents Sea 16
Investigation Begins *[TASS]* 16
Further Details *[Radio Rossii]* 16

Social

Poll on Future Economic, Political Situation *[INTERFAX]* 16

Media

TASS Carries Press Review for 27 Feb 17

RUSSIA

International Affairs

Kozyrev Begins 'Working Visit' To Africa 18
Addresses Military Specialists *[TASS]* 18
Answers Journalists' Questions *[ROSSIYSKAYA GAZETA 28 Feb]* 18
Meets Angolan Officials *[TASS]* 18
Arrives in Pretoria *[TASS]* 19
Commentary on Relations With Africa *[Moscow International]* 19
Further on Kozyrev in Africa *[cross-reference]* 20
Ambassador Strauss on 'Path of Reforms' *[TASS]* 20
CIA 'Far Behind' in 'Glasnost' Policy *[PRAVDA 24 Feb]* 20
U.S. Encourages Firms To Cooperate With Russia *[INTERFAX]* 20
Estonian Cooperation Documents Signed *[Radio Rossii]* 21
Swedish Paper's Claims on Espionage Rebuffed *[IZVESTIYA 18 Feb]* 21
St. Petersburg, Stockholm Mayors Begin Ties *[TASS]* 22
Indian Trade Protocol Signed in Delhi *[PRAVDA 25 Feb]* 22
Arab Businessmen View Alternatives to Moscow *[IZVESTIYA 27 Feb]* 22
Minister Zhitnikov Stresses Urgent Need for Aid *[TASS]* 23
Norwegian Aid Arrives in Arkhangelsk *[TASS]* 23
Urals Scientists Work With China on Technology *[POSTFACTUM]* 23

Federation Affairs

Government Meets To Discuss Economic Policy 23
Approves Memorandum for IMF *[TASS]* 23
Economic Decisions Viewed *[Moscow Radio]* 24
Yeltsin Spokesman Cited *[TASS]* 24
Meeting Viewed; Gaydar Interviewed *[Moscow TV]* 25
Adviser Holds Briefing *[TASS]* 25
'Three Key Issues' Viewed *[INTERFAX]* 26
Financial Official Cited *[TASS]* 26
Yeltsin Signs Decree on Vice President's Duties *[INTERFAX]* 26
Yeltsin To 'Personally Direct' Ministries *[ROSSIYSKAYA GAZETA 28 Feb]* 27
Decree Bans Free Trade in Strategic Goods *[INTERFAX]* 27
Decree on Measures 'To Normalize' Fuel Sector *[ROSSIYSKAYA GAZETA 25 Feb]* 27
Khasbulatov on Yeltsin's Prime Minister Duties *[TASS]* 28
Further on 'Russia in the New World' Conference 29
Yeltsin Greets Conference *[ROSSIYSKAYA GAZETA 27 Feb]* 29
Kozyrev on 'Main Tasks' *[TRUD 28 Feb]* 29
More on Khasbulatov, Kozyrev's Speeches *[ROSSIYSKAYA GAZETA 27 Feb]* 30
Gaydar Interviewed on Economic Reform, Policies *[LITERATURNAYA GAZETA 19 Feb]* 31
Rutskoy Interviewed on Current Situation *[Barcelona LA VANGUARDIA 22 Feb]* 36
Khasbulatov Interviewed on Economic Crisis *[Paris LE FIGARO 26 Feb]* 38
Yeltsin Adviser Says Khasbulatov Misquoted Her *[IZVESTIYA 27 Feb]* 40
PRAVDA Takes Issue With Adviser Starovoytova *[22 Feb]* 40
Economics Minister on International Arms Sales *[Moscow Radio]* 40
Property Management Head Holds News Conference 41
Privatization Earns 414 Million Rubles *[TASS]* 41
Further Chubays Comments *[TASS]* 41
Central Bank Governor on Debt Repayment *[Paris LE FIGARO 26 Feb]* 41
'Constitutional Coup' at 6th Congress Predicted *[ROSSIYSKAYA GAZETA 25 Feb]* 42
Radical Democrats Support 'Unpopular' Measures *[FEDERATSIYA 26 Feb-3 Mar]* 43
'Patriotic Movement' on 'Antinational' Policy *[SOVETSKAYA ROSSIYA 25 Feb]* 43

Regional Affairs

Moscow Mayor Predicts 'Growing Tension' *[INTERFAX]* 44
Deputy Mayor Issues 'Ultimatum' to Oblast *[PRAVDA 21 Feb]* 44
Poll Shows Gap Between Moscow Incomes, Needs *[ROSSIYSKAYA GAZETA 27 Feb]* 44

Poll Shows Muscovites Oppose Special Congress *[ROSSIYSKAYA GAZETA 28 Feb]* 45
President Dudayev Demands Funds, Sets Deadline *[Moscow TV]* 45
Attacks on Groznyy Military Camps Viewed *[Radio Rossii]* 45
Tatarstan President on Relations With Russia *[Moscow International]* 45
Tatarstan Faces Danger of Nationalism *[POSTFACTUM]* 46
Debates at Tatar Supreme Soviet Reported *[ROSSIYSKAYA GAZETA 22 Feb]* 46
Split in Tatarstan's Reform Movement Noted *[INTERFAX]* 46
Military Exercises Continue in Maritime Kray *[Russian TV]* 47
Mass Desertion of Soldiers in Perm Reported *[POSTFACTUM]* 47
Omsk May Receive License To Sell Arms *[POSTFACTUM]* 47
President Representative Post Abolition Reported *[IZVESTIYA 26 Feb]* 48

UKRAINE

International Affairs

Kravchuk Holds Phone Conversations With Leaders 49
Speaks With Bush *[TASS]* 49
Speaks With Mitterrand *[Kiev Radio]* 49
Kravchuk on German Resettlement, Weapons *[INTERFAX]* 49
Government Offers Oil Workers to Kuwait *[INTERFAX]* 50
Former USSR Allegedly Behind Sale of Warships *[Moscow International]* 50
Trade Council Meets in Kiev; Discussions Noted *[Kiev Radio]* 50
Diplomatic Relations Established With Croatia *[Kiev Radio]* 50

National Affairs

President Stresses Friendship With Russia *[TASS]* 50
Trade for Rubles Temporarily Resumed *[TASS]* 50

CENTRAL ASIA

Kazakhstan

Commissions To Investigate Baykonyr Mutiny *[PRAVDA 28 Feb]* 52
Seven Officers Dismissed *[Radio Rossii]* 52
Baykonyr Personnel on Mir Space Program *[Russian TV]* 52
Talks Under Way on Selling Weapons Abroad *[POSTFACTUM]* 53
'Constructive, Farsighted' Foreign Policy Hailed *[PRAVDA 26 Feb]* 54
Documents for Shutdown of Weapons Site Ready *[ROSSIYSKAYA GAZETA 22 Feb]* 54
'Unknown Facts' About Nazarbayev Detailed *[KOMSOMOLSKAYA PRAVDA 22 Feb]* 55
Supreme Soviet Renames Guryev City, Oblast *[IZVESTIYA 26 Feb]* 56

Kyrgyzstan

President Calls For 'Single Information Space' *[TASS]* 56
Parliament Appoints Akulov New Vice President *[INTERFAX]* 56
Army General in Favor of Joint CIS Forces *[POSTFACTUM]* 56
Kuwaiti, French Delegations on Official Visits *[INTERFAX]* 57
Ties Established With France *[INTERFAX]* 57
Diplomatic Relations Established With Egypt *[TASS]* 57
Agricultural Prospects in Country Viewed *[Moscow TV]* 57

CAUCASUS

Armenia

President Urges World Pressure on Azerbaijan *[Berlin ADN]* 59
Minister Praises Iran's Mediation Efforts *[TASS]* 59
Minister Denies Country Receiving Foreign Aid *[TASS]* 59
Ministry Calls on Officers To Return, Form Army *[Yerevan Radio]* 59

Young People Unwilling To Serve in Army *[INTERFAX]* 60
Ministry Establishes Zones for Reporters *[INTERFAX]* 60
Scientist Calls For Restarting Nuclear Plant *[TASS]* 60

Azerbaijan

CIS Regiment Ordered Out of Nagorno-Karabakh *[Moscow Radio]* 60
Further on Shaposhnikov Order *[Moscow Radio]* 60
Regiment Said Against Azerbaijan *[Moscow Radio]* 61
Regiment's Role in Khodzaly *[INTERFAX]* 61
Velayati Reportedly Forced To Return to Baku *[Baku Radio]* 61
Attacks Resume, Both Sides Suffer Casualties *[INTERFAX]* 62
Situation 'Somewhat' Stabilized *[TASS]* 62
Stepanakert 'Totally Destroyed' *[Russian TV]* 62
Agdam Refugees on Situation *[INTERFAX]* 63
Armenian Forces Occupy Positions *[Radio Rossii]* 63
Update on Events *[INTERFAX]* 63
CIS Troops Deny Chemical Weapons Possession *[TASS]* 64
Unstable Situation Postpones Arms Transfer *[KRASNAYA ZVEZDA 22 Feb]* 64

Georgia

Government Cooperating With Former Soviet Troops *[Moscow Radio]* 64
Guard Seeks To Unite Paramilitary Forces *[NEZAVISIMAYA GAZETA 27 Feb]* 65
Gamsakhurdia's Supporters Active in Sukhumi *[INTERFAX]* 65
'Terrorist' Acts Result in Limited Rail Service *[Tbilisi Radio]* 65
No Trains to Russia *[INTERFAX]* 66
Attacks, Food Shortages Reported in Country 66
Tension Rises in South Ossetia *[TASS]* 66
Tskhinvali Under 'Blockade' *[Moscow Radio]* 66
Zugdidi 'Unstable'; Two Killed *[Tbilisi Radio]* 66
No Bread in Tsalenjikha *[Tbilisi Radio]* 66

BALTIC STATES

Estonia

Parliament Restores 1938 Law on Citizenship *[BALTFAX]* 67
Russian Movement Opposes Proposal *[PRAVDA 22 Feb]* 67
Council Debates Ministerial Appointments *[Tallinn Radio]* 67
New Officials Named *[Tallinn Radio]* 68
Russian Foreign Ministry Statement Addressed *[TASS]* 68
'Cornflower' Pact Formed To Restore State *[Tallinn Radio]* 68
Foreign Currency Account Freeze 'Refuted' *[KOMSOMOLSKAYA PRAVDA 22 Feb]* 68
Subsidies for Housing, Services Considered *[BALTFAX]* 68
Vietnamese Diplomatic Relations Established *[Tallinn Radio]* 68
Lalumiere Statement Prompts Official Protest *[IZVESTIYA 24 Feb]* 69
Sentence Suspended for August Coup Plotter *[Tallinn Radio]* 69

Latvia

Prime Minister Godmanis Holds News Conference *[BALTFAX]* 69
Republic Border Guards To Establish Control *[BALTFAX]* 70
Majority of Army To Serve as Border Guards *[POSTFACTUM]* 70
Procommunist Forces Reorganizing in Republic *[Riga Radio]* 70

Lithuania

Issues Impacting on Troop Withdrawal Viewed *[IZVESTIYA 25 Feb]* 70
Withdrawal Plans Change *[Vilnius International]* 71
Vagnorius Predicts Internal Market Revival *[Vilnius International]* 72

Vagnorius Interviewed on Russian Relations *[Vilnius Radio]* 72
Oil to Mazeikiai Refinery Interrupted Again *[Vilnius International]* 72
Nationalist Statement Presented in Council *[Vilnius Radio]* 73
Center Faction Responds *[Vilnius Radio]* 73
Spending Discussed, Budget Incomes Approved *[BALTFAX]* 74
Bank Activities Investigation Authorized *[BALTFAX]* 74

Yeltsin To Visit 'Arzamas-16' Nuclear Center

LD2802064892 Moscow TASS in English 0644 GMT 28 Feb 92

[By ITAR-TASS correspondent Gennadiy Talalayev]

[Text] Moscow February 28 TASS—Russian President Boris Yeltsin has left for the city Arzamas-16 in the Nizhniy Novgorod region, 400 kilometers east of Moscow, known as a nuclear arms centre.

The centre, previously off limits for foreigners, will be reorganised into a world institute developing laser, nuclear and other high-tech equipment for peaceful uses.

Russian and U.S. scientists are developing now a laser at the centre to control thermonuclear synthesis.

During his visit, Yeltsin will visit a local plant and meet with nuclear physicists to discuss their problems and prospects for reorganising and developing the centre.

Yeltsin is expected to return to Moscow today.

Yeltsin's Joint Defense Proposal Faulted

924P0092A Moscow LITERATURNAYA GAZETA in Russian No 9, 26 Feb 92 p 10

[Article by Professor Konstantin Feoktistov, pilot-cosmonaut of the USSR: "If Not SDI, Then What?"]

[Text] The development of an international space system to provide protection against the political rascals and gangsters who from time to time contrive to steal power in particular states and through their activities create danger for the peoples (including their own) is an urgent matter. Therefore, Yeltsin's proposal on joint participation in a strategic defense initiative appears enticing. But let us consider the problem realistically.

This kind of system could consist of monitoring and surveillance facilities and space-based counterstrike forces. Surveillance is all very well. But with respect to space-based counterstrike forces against missile and air and even ground attack, the issue is quite controversial.

To develop and deploy these kinds of strike forces in orbit means to lard the sky with weapons and "explosives" ready to be fired not only at an aggressor but also onto our own heads—because of errors, malfunctions, or sabotage by terrorists in the control complex of this "umbrella." Is it worth developing a system that can then threaten to fall on us?

The part of the space system that is to monitor dangerous activity is another matter. Naturally it would be open to all, even including the mass media, so that everyone would be able to see and observe suspicious military developments (missile launch sites, airfields, strategic roads, and so forth), concentrations of troops and military equipment, and preparations for military invasion. Then, dangerous preparations would not go unnoticed, and questions pertaining to suspicious activity in any particular country could be raised not only by official international bodies but also the press, and even individuals or public organizations.

A system could be developed on the basis of international cooperation to which everyone would contribute according to his means. The up-to-date but relatively inexpensive Zenit rockets, and also the Gamma and Progress automatic space vehicles, could be used in the development and creation of surveillance apparatuses. Here, our contribution would be effective and natural. Onboard computers, surveillance apparatus in the optical spectrum, radio communications equipment, electrical-radio elements in adequate quantities, and—the main thing—adequate service life and satellite relay stations are all another matter. Here we lag far behind, and it is logical to place this "load" on the Western countries and Japan.

But there is another side to the problem. It goes without saying that whoever does specific work in the international enterprise and does not derive direct profit will have to pay for that work. Spending to develop a strategic defense initiative runs into the billions and we do not have the money. It is possible to hire ourselves out to do this work for pay, but today we cannot afford to play the Eastern potentate and assume enormous amounts of work gratis.

For us now the main thing is to develop a free economy that really functions, and to become a society not of slaves dependent on the state but of free producers of goods and services.

What is preventing this? Almost all our enterprises are still monopolies; their leaders do not have to look for work, they spend all their lives working on instructions from above. Most of our leaders, and indeed all of us, have the necessary reserve of probity and sense of obligation essential for free economic activity. The irresponsible, crazy prices being set by the leaders of enterprises and "associations" and "concerns" demonstrate quite graphically their intellectual and business acumen. Serious work, including education and grooming truly responsible personnel at all levels, confronts us, so that it is better not to be distracted from the business that will save our lives. Even though in principle it is not a bad idea, even necessary, to develop an "Anti-Saddam Husayn System," it is hardly a priority issue for us. Today all the enterprises of the military-industrial complex should halt production of things that are useless for consumption and switch completely to the production of goods that people need.

Finally, apart from the strategic defense initiative there are more urgent and topical tasks for international space cooperation. Why not become involved in space biotechnology on global scales? Or the industrial production of very pure materials for electronics? At least here there is some prospect for material returns. For this what is needed is joint orbital stations and automatic factories, and really inexpensive reusable rockets to loft apparatus

and cargo. It is possible to engage more actively in research in the field of developing an environmentally clean energy supply system for Earth with the aid of orbiting solar electric power stations. Here we certainly have experience, and new ideas.

Up at space altitudes, however, just as in the economy here on the ground, for a successful and effective docking with world civilization what is required is a thawing of the monolithic "iceberg" of the military-industrial complex and the emergence of independent, forward-looking companies and enterprises, and a competitive system of orders and sources of funding and credit, in short, all the attributes of emancipation. Otherwise space will again be hung like a millstone around society's neck.

Chemical, Biological Weapons Committee Set Up

PM2702155892 Moscow ROSSIYSKAYA GAZETA in Russian 28 Feb 92 First Edition p 2

[Unattributed report: "Goodbye, Biological Weapons!"]

[Text] By decree of the Russian Federation president, a Committee on Convention Problems Relating to Chemical and Biological Weapons has been set up under the Russian Federation president. The committee's tasks are to resolve chemical and biological weapons convention problems, implement international and internal monitoring [kontrol] to prevent their development [razrabotka], production, and stockpiling, and also organize the elimination of stocks of chemical weapons.

Anatoliy Kuntsevich is appointed chairman of the committee.

Kozyrev Disarmament Plan Deemed 'Unfeasible'

MK2802070092 Moscow NEZAVISIMAYA GAZETA in Russian 28 Feb 92 p 4

[Article by Vladimir Belous: "Security: Political Rhetoric and Common Sense. How Andrey Kozyrev 'Corrected' President's Statement"—first two paragraphs are editorial introduction]

[Text] As promised, we are continuing our examination of Russia's disarmament initiatives. This time our correspondent analyzes the problem of retargeting missiles.

At the same time, NEZAVISIMAYA GAZETA publishes an article by Vladimir Kozin, an expert from the Russian Foreign Ministry Administration for Problems of Arms Limitation and Disarmament. He is one of the people who formulated the Russian initiatives according to some sources. Nevertheless Vladimir Petrovich stipulates especially that his viewpoint does not necessarily coincide with the stance espoused by his department.

As you know, stationary (in silos), and mobile (rail-mobile and off-road) ground-launched intercontinental ballistic missiles capable of launching roughly 65 percent of the nuclear warheads in the arsenal at one time form the basis of CIS strategic nuclear might. Roughly 25 percent of the nuclear warheads are sited on submarine-launched ballistic missiles, the rest of the warheads [boyezaryady] are sited on strategic bombers. This structure for the strategic nuclear forces, along with the high standard of the former USSR's missile technology, were traditionally a "headache" for the West's top military-political leadership.

It is no coincidence that B.N. Yeltsin's unexpected announcement that the missiles were being retargeted brought the greatest response and the most conflicting assessments from Western specialists. The chronology of events behind this initiative is extremely indicative not only from the military viewpoint, but also from the viewpoint of the decisionmaking process in Russia's upper echelons of power.

Shortly before leaving for the United States, the president gave an interview to ABC TV in which he said that Soviet nuclear missiles would shortly cease to be aimed at U.S. cities. This was an extremely peaceloving proposal at first glance. However, let us turn to history. In the sixties the United States formulated various scenarios for nuclear war. The main question to which Pentagon strategists sought an answer was: What should be the target of a nuclear attack—military installations, or major cities and industrial centers? New concepts were introduced into the political lexicon: "counterforce" and "counterassets" [protivotsennostnyy] attack. The first term signified attacking USSR strategic nuclear forces and centers of state and military management. Naturally, these operations only made sense in the event of a sudden first strike against the potential adversary since, if the enemy himself inflicts the first strike, there is no point in aiming your missiles at empty silos. A "counterassets" attack envisaged a nuclear attack on major cities, inflicting "unacceptable damage" on the enemy. This accorded best with the "deterrence" policy, clearly barbaric though it was. It is now acknowledged that nuclear weapons cannot be a weapon of war, that their main function is to deter by threat of retribution.

So, having studied B.N. Yeltsin's statement about retargeting missiles, military specialists immediately expressed perplexity that boiled down to a direct question: Where are they to be retargeted?

It is no coincidence that the first announcement of the missile retargeting caused concern in Western Europe, Japan, certain Third World states, and...even within the CIS. A missile on combat alert must have a specific flight program in its control system's memory. Eight flight programs for various targets are recorded, for instance, in the Minuteman-3 missile's onboard computer. The missile is given a command indicating the specific program immediately prior to launch. If missiles are aimed at military installations, that means a greater probability of delivering a first strike.

The complexity of the problem lies in the fact that it is extremely difficult to verify [kontrol] retargeting.

The Russian president's 29 January statement provides a somewhat different reading [redaktsiya] of the proposals to retarget missiles. It makes provision for the two countries to stop aiming their combat systems at one another's territory. It indicates that these radical changes will take place after the planned cut in strategic offensive arms. Consequently, the question will take several years to resolve in practical terms.

The commander in chief of the CIS joint forces shed some light on this. Answering a question from a NEZAVISIMAYA GAZETA correspondent, Marshal of Aviation Ye. Shaposhnikov said that missiles taken off combat alert were no longer aimed anywhere, while the rest were aimed at their former targets. He added here that Yeltsin's statement was of a political nature and that it would take some time for it to be put into effect.

The statement made by Russian Foreign Minister Andrey Kozyrev on 12 February in Geneva marked the next phase in developing the idea of retargeting the missiles. He confirmed that the missiles remaining on combat alert are still aimed at the United States (just as U.S. missiles are aimed at us). Not limiting himself to an explanation, Kozyrev made two new proposals supplementing the Russian president's initiatives.

First: that all missiles belonging to Russia, the United States, and other nuclear powers that are targeted on one another be taken off combat alert. Second: that nuclear warheads be removed from all missiles and stored separately, thus reducing the risk of unauthorized actions or accidental launch.

The question is bound to arise: If the second proposal is put into effect, what will remain of the first? After all, removing warheads means a lower level of combat readiness than simply taking missiles off combat alert. Moreover, it is necessary to draw attention to two aspects of these proposals—the military- political, and the technical.

Top U.S. politicians and military men make no secret of their conviction that it is precisely the U.S. policy of military strength that has averted world war three, secured victory in the "cold war", and brought about the breakup of the USSR, the revolutions in Eastern Europe, and the collapse of Communism. We can predict in advance that the United States will not agree to remove and store missile warheads.

If you consider the technical aspects of this matter, it becomes clear that this proposal is simply unfeasible in the near future. Hundreds of warheads would have to be removed and stored at every missile base, particularly from multiple-warhead missiles. Special underground stores would have to be set up to store these warheads. Every store would cost tens of millions, and they would take several years to build. No provision is made for the storage of hundreds of warheads at U.S. missile bases either.

As for the proposal for missiles to be removed from submarines and for missile carriers to be permanently based in their ports of registration, the United States is unlikely to take that idea seriously. After all, roughly 50 percent of its nuclear warheads are sited on submarines, and the naval component of the "triad" is the basis of U.S. nuclear might.

As we know, "the courtier likes to play at being king," and I must say with regret that of late—and not for the first time—the "courtiers" have been "standing in" for their president. The authors of the raw, ill-considered proposals remain in the shadows. How can one fail to remember J. Kennedy's witty statement about these situations: "Victory always has many parents, defeat is generally an orphan." Although the president's statement cannot be described as a defeat, I cannot remember another case of a USSR foreign policy action provoking so many false rumors and critical comments. Time will tell whether we draw the proper conclusions from this.

Nazarbayev Will Not Give Up Weapons 'Quickly'

AU2702085392 Mainz 3Sat Television Network in German 2030 GMT 26 Feb 92

[Report by Dieter Schulz with statements by President Nursultan Nazarbayev at the Economic Forum in Davos, Switzerland—passages within quotation marks recorded; Nazarbayev statements in Russian with superimposed German translation]

[Excerpts] [passage omitted] Kazakhstan has been independent since last September. Its first president, who was elected in free elections in December, is Nursultan Nazarbayev, 51. In the past he was a top communist functionary, who mediated between Yeltsin and Gorbachev before the Moscow putsch. Today Nazarbayev presents himself as a reformer who wants to bring about progress in his country with the help of a market economy and cooperation with the West. He seems to be popular with the people despite his communist past. [passage omitted]

At the international economic forum in Davos, Nazarbayev recently commented on the topic of strategic nuclear weapons:

"This issue has been settled in the agreements of Minsk and Alma-Ata. There is a joint supreme command in Moscow in line with these agreements. This is to ensure that the number of nuclear states does not rise. In addition, the world should not be worried by the fact that the nuclear weapons are stationed in different republics of the CIS. We have agreed that Russian President Boris Yeltsin maintains supreme command over strategic nuclear weapons. He, however, has to coordinate his actions with the presidents of the three other states where nuclear weapons are stored." [passage omitted]

In the interview Nazarbayev supports nuclear disarmament in East and West.

"We have stressed in our agreements that we will strictly adhere to the disarmament treaty and to the Nonproliferation Treaty. The parliament in Alma-Ata will deal with this, and I am sure that it will ratify these treaties. The proposals, however, about a reduction of nuclear weapons, which were made in the talk between U.S. President Bush and Boris Yeltsin, must still be studied thoroughly by the presidents of the CIS states."

Self-confidently, Nazarbayev adds that he was briefed by Bush about the disarmament proposals before Yeltsin. Boris Yeltsin's disarmament initiative was not coordinated in the CIS presidents' council before it was presented. Did Yeltsin thus make promises over Nazarbayev's head? New conflicts are in the offing.

The formerly proud Soviet Army is no longer marching in step in political terms and has lost its unity. Three CIS states have started to establish their own armed forces. The disarmament by destroying nuclear missiles, which has been agreed on with the West, is to be continued. Nazarbayev does not want any doubt to arise. He knows all too well that otherwise he would endanger economic aid from the West.

"The disarmament treaty between the USSR and the United States is to continue. All are to participate in it. It is absolutely necessary to further reduce the weapons potential of both sides. However, destroying the weapons is not an easy matter. Sticking to this plan is not easy as long as nuclear weapons exist in the rest of the world. We will, of course, adhere to the treaty, even if it becomes difficult."

The West is still worried that the new nuclear powers in the CIS might pass nuclear weapons or the know-how for their contruction to other states. There is also another fear: Regional army leaders might sell tactical nuclear weapons to foreign states or even to terrorist organizations.

Nazarbayev categorically rejects reports about military cooperation with Islamic states:

"I can speak only for Kazakhstan and stress that we will adhere to every letter of the treaty on the nonproliferation of nuclear weapons, fuel rods, and technology. I know of Western press reports that claim that Kazakhstan has cooperated with some Arab states in developing nuclear weapons or has at least established contact with them. I would like to state officially that this is not true."

Nazarbayev is trying to establish a political counterweight to the efforts at supremacy by Russia and its president, Boris Yeltsin. Therefore, the Kazakh leader is looking for more cooperation with other CIS states in Central Asia. The influence of Islam has been rising constantly in these countries since the demise of the USSR, just as in Kazakhstan. The number of mosques in Kazakhstan has tripled within a brief period. [passage omitted]

Contrary to other reports, one must note that the Muslims in Central Asia do not form a monolithic block; they belong to various denominations. Most Kazakh Muslims are Sunnis. They have little sympathetic feelings for the policy of the fundamentalists in Iran, for instance. There is not yet a mass movement advocating a new Islamic center in Central Asia. At the moment, questions of state sovereignty and of economic misery seem to be more important for the peoples in the south of the former Soviet Union than religion.

However, how long will this last? Might their economic misery make the people in Kazakhstan blindly follow the propagandists of an Islamic state?

Nazarbayev is considered a particularly skillful man in politics among the heads of state in Central Asia. The nuclear weapons on Kazakh territory strengthen his position in the poker game of power and influence in Central Asia and Moscow. The statements by the Kazakh leader do not leave any doubt: Contrary to earlier promises, he will not let the nuclear weapons out of his hands quickly.

Enriched Uranium Sales Reports Discounted

LD2702234892 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1800 GMT 27 Feb 92

[From the "Novosti" newscast]

[Text] Our Bonn correspondent reported yesterday on the sale of a consignment of Russian uranium in the West. Today there is fresh confirmation of this from Paris. Our correspondent attempted to obtain a videotape with the details of the deal. Here is a report by Sergey Iyezuitov, who we contacted by telephone:

[Iyezuitov] CCV [expansion unknown], a private firm which owns the videotape showing the sale of enriched uranium, is based in a Paris suburb, Boulogne-Billancourt. Mr. Brenot, who this morning promised to show us the tape, did not come to the meeting arranged for 1530. Instead I spoke to his female assistant.

The contract, it transpired, stipulated conditions for filming. To be precise, the tape was not to be shown on Russian. This was out of consideration for the safety of the journalists who prepared the report. At the very least we wanted to film the tape editing room and the people who had worked on the tape, but I was given a polite but firm refusal. Once again, the reason given was safety, this time the safety of CCV staff working in the Paris suburb.

One other detail is that Mr. Brenot's assistant recalled that the tape had been purchased by the third channel of French television and would be included in a program to be screened on 11 March. You can record it yourselves, I was told as I was leaving, but we advise you not to show it in Russia.

I have just spoken to Channel Three, but at the moment it is impossible to get down to brass tacks. Originally everybody was prepared to help, but for some reason, nobody can give a sensible reply once they discover that Russia is interested in the material. [Video cuts to reporter Yegorov interviewing Y.I. Ignatenko, public relations spokesman for the Ministry of Atomic Power, and A.N. Chuvin, deputy director general of the Tekhsnabeksport foreign trade association.]

[Begin recording] [Yegorov] How do you react to the report that a consignment of enriched uranium from Russia was sold via Austria to third countries?

[Ignatenko] I regard it as yet another provocation connected with the struggle for markets. There is no possibility of this uranium—uranium with enriched isotopes—having been sold by enterprises in the Russian Federation.

[Chuvin] Any partner who receives material from us must give an assurance at government level that the material we send will be used for peaceful purposes.

[Yegorov] Is there any possibility of Tekhsnabeksport being circumvented when a contract is concluded?

[Chuvin] An official contract of such a kind is not possible.

[Yegorov] Could this consignment of uranium have been stolen from somewhere?

[Chuvin] All this material is kept in special places which are guarded. A special inventory is kept. When despatched, consignments of any material are transported in special railway trucks, under guard.

[Ignatenko] An inventory, down to every last milligram, is kept of enriched uranium, even that which is used in fuel assemblies at nuclear power stations. In principle.... [Recording of interview ends here.] [end recording]

As you can see, everything is in order here. The heads of Russia's nuclear industry do not rule out the possibility that the uranium sales scandal was organized by competitors or firms in France and the United States.

Uranium Enrichment Industry Reorganizing

MK2702133792 Moscow NEZAVISIMAYA GAZETA in Russian 27 Feb 92 p 6

[Report by Oleg Panfilov: "Security: To Whom Will the Uranium Industry's First-born Belong? Americans Officially Asked for Some Uranium To Be Sold to Them"]

[Excerpt] [passage omitted] The Chkalovsk [Tajikistan] uranium plant and similar plants in Taboshar and Adrasman were the first in the USSR to produce natural [prirodnyy] enriched uranium.

The plants at Taboshar enriched the uranium ore until 1971 and produced natural uranium in the form of a uranosouranic oxide [zakis okisi] concentrate until 1967. The Adrasman plant was closed even earlier—in 1959—and a combine producing lead, zinc, copper, and bismuth is now operating there.

Thus, the only production unit enriching and obtaining uranium-238, a black powder—a uranosouranic oxide—was in Chkalovsk. However, the combine, now called the "Vostokredmet" Association, has mines and plants in Uzbekistan and Kazakhstan, and constitutes a mighty uranium extraction complex.

In effect the production unit is under tight control, and there are people on the plant's management who have never visited the workshops. Although uranium enrichment technology differs little from the hydrometallurgical plants that produce rare metals, the special regime has survived in Chkalovsk from the time when it was considered secret. It is only recently, under pressure from residents in nearby villages, that the plant's leadership has been forced to conduct a few tours to dispel rumors about an "underground" plant and nuclear weapons production.

Nevertheless the leaders of the Chkalovsk plant will not say how much is produced, justifying this by saying that this is a commercial secret, but according to unofficial estimates, the annual production of natural uranium is at least 10,000 tonnes. It is still not clear whether Tajikistan has the right to part of the profits because, with the breakup of the USSR, the Ministry of Atomic Power Engineering and Industry no longer exists, although plant management personnel claim that correspondence is still coming from Moscow on the nonexistent ministry's letterheads. Doctor of Technical Sciences Yuriy Nesterov, director of the "Vostokredmet" Association, explains how the gigantic structure of the once powerful Ministry of Atomic Power Engineering and Industry still exists.

[Nesterov] The structure of a new corporation has been set up; it comprises departments from the former Ministry of Atomic Power Engineering and Industry and, inter alia, the "Atomredmetzoloto" concern, which was registered with the Moscow Soviet. It was first thought that the corporation would be an interrepublic body and would involve Turkmenistan, Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan, Russia, and Ukraine, as well as Armenia, Lithuania, and Georgia, which have nuclear electric power stations [AES] and a research institute. Thus, the structure would have been preserved with its industrial enterprises, production units assembling fuel elements and fuel rods, scientific establishments, and design [proyektnyy] organizations, including the former Third Directorate of the USSR Ministry of Health tending to atomic industry personnel. The structure also made provision for a finishing [okonchatelnyy] process—the processing and burial of spent fuel. Needless to say, the corporation's central leadership is to be in Russia, since that is where the main scientific and industrial potential is to be found and where 85 percent of the fuel elements are manufactured. Kazakhstan, for

instance, only manufactures 15 percent, and final uranium enrichment, before elements and rods are assembled, is only carried out on Russian territory. None of the former Union republics is capable of producing nuclear fuel today. Unified supervision of safety is needed at AES's, military reactors, and weapons production units. Agreement seems to have been reached on setting up the corporation, but the Russian Government has the final say. Central Asian enterprises have now amalgamated to form a concern. Will we be able to survive? We process fluorine ore to derive a highly pure concentrate and sell it to Russia and Kazakhstan, and without it uranium enrichment is impossible. If ties start to collapse, all enterprises will come to a standstill.

I believe that the unified nuclear fuel cycle must be preserved, but that is not in Russia's interests.

[Panfilov] But will not the corporation dictate terms to other republics that do not have enterprises in the uranium production cycle?

[Nesterov] I do not think so, because Ukraine has no enterprises, but it does have four AES's.

[Panfilov] What states could use your output?

[Nesterov] The United States, Britain, France, China, and maybe Germany.

[Panfilov] What about Muslim states?

[Nesterov] Some reports indicate that Pakistan could.

[Panfilov] Why do you think articles have appeared about the Ch'kalovsk plant's being involved in selling uranium?

[Nesterov] As for the specific countries that the articles mention, Pakistan can in theory use uranium. Iraq, Iran, and Libya do not have these centers. There are political reasons behind these articles—to spread mistrust in President Nabiyev, in us, the Russian-speaking population, to maintain tension in the [Tajik] republic, and to set the East against the West.

[Panfilov] Have representatives of foreign firms approached you with regard to selling uranium?

[Nesterov] There have been offers through nongovernment channels from Americans. In principle we could sell natural uranium to foreign firms. But the point is that since 1971 we have been selling our output via the "Tekhsnabeksport" Association. It protected our interests in terms of duty, freight insurance, and delivery. We could have sold things ourselves, but then the international market would have been disrupted and that would not only have caused the price of uranium to fall, but would also have resulted in the uncontrolled delivery of uranium to third countries.

The corporation being set up to replace the former Union Ministry of Atomic Power Engineering and Industry will hardly entertain the possibility of freezing or converting a unique production unit, which, despite its apparent openness, nonetheless hides a great deal and will hardly succumb to control from the Tajik Government.

Woerner Views CIS Striving for Stability

PM2702155792 Moscow KRASNAYA ZVEZDA in Russian 27 Feb 92 p 3

[Interview with NATO Secretary General Manfred Woerner by Major M. Pogorelyy; place and date not given: "Commonwealth States and NATO: Era of Cooperation"]

[Text] In the past six months it seems that we have gotten used to the idea that things we could not previously have imagined are entirely possible. The USSR has ceased to exist, the CPSU has departed the scene, and the "cold war" has ended. The United States and its allies are no longer enemies but, rather, our friends and partners. And although not everyone is able to keep up with the rapid pace of change—both here and abroad—you now rarely here the word "NATO" trigger the automatic response "aggressive bloc." On the contrary, proposals are increasingly being heard for the CIS, when setting up its military-political community, to "espouse" the NATO organization's experience. This experience will undoubtedly be more accessible to us after 10 March, when the Commonwealth states will be accepted as members of...no, not of NATO just yet, but of the Cooperation Council which has been set up as part of the bloc.

We spoke to NATO Secretary General Manfred Woerner, who paid brief visits to Kiev and Moscow the other day.

[Woerner] The aim of giving Council membership to all, and I emphasize all, Commonwealth states—both those which have already made official applications and those which are planning to do so—is to develop mutual understanding and cooperation through mutual consultation and an exchange of information.

And this applies to both the political and military spheres. We in NATO no longer view the CIS countries as adversaries, but as partners—and even potential friends. We would also like NATO and CIS soldiers to meet more often—this would help to overcome the negative, unfriendly relations of the past.

[Pogorelyy] In other words, developing this idea, having turned from potential enemies into potential friends, NATO and Commonwealth servicemen should not stop there but should become real friends?

[Woerner] Yes, real friends!

[Pogorelyy] Mr. Secretary General, how, in your opinion, will this affect the strengthening of stability and peace in Europe?

[Woerner] These are in our common interests—those of the Commonwealth and those of all 16 NATO members. And I clearly sensed during my talks and meetings with President Yeltsin and other leaders (M. Woerner also had meetings in Moscow with Vice President A. Rutskoy; Vice Premier G. Burbulis; Speaker of Parliament R. Khasbulatov; Marshal of Aviation Ye. Shaposhnikov, commander in chief of the CIS Joint Armed Forces; and Army General K. Kobets, Russian state counselor for defense) that they are sincerely striving for stability. It is only in this situation that our countries can develop, becoming prosperous democratic societies to ensure that our peoples live better and more freely.

[Pogorelyy] Mr. Woerner, you mentioned the possibility of cooperation in the military sphere between the NATO bloc and the Commonwealth states. What might be the areas of cooperation in this sphere?

[Woerner] NATO is not just a political union, but a military bloc. And defense questions have always been at the center of our attention. NATO has due respect for the Armed Forces of both the CIS and of individual Commonwealth states (after all, NATO too is an alliance of sovereign states, and the bloc members agree that it is a Commonwealth matter to decide who should have what armed forces. Mr. Woerner refrained from giving advice or making assessments on this point, merely giving an assurance that NATO will develop cooperation with those armies which will be legitimately set up within the CIS).

We intend to develop fruitful cooperation in areas such as the principles of military building, defense planning, the relationship between civilian society and military structures, and the formation of defense budgets. The Army's social problems—particularly housing—and the measures to overcome them are very important. The possibility of cooperation on the last point in particular was at the center of my talks with Russian Vice President A. Rutskoy. Collaboration and aid in implementing conversion—that, admittedly, is an area in which the generals should be joined by the leaders of the business world. Then there is cooperation between our scientists. There are now around 150 CIS scientists working together with their NATO colleagues—and this number will increase in the future.

Well, finally, it will be the turn of the joint development of defense strategy. We are no longer adversaries—which makes me very happy. And we do not need to be. But the risk factors remain. Your readers are well aware of that. The more our countries' servicemen meet, get to know each other better, and work together, the better things will be for our states and peoples.

[Pogorelyy] And the less chance there will be of becoming adversaries again...

[Woerner] Yes, that is indeed so. [Woerner ends]

At a final news conference summing up the results of his Moscow visit, Manfred Woerner stated that he sincerely trusts the new Russia—the Russia of democracy and reform—and believes in its immense spiritual and, above all, human potential. We are no less interested than you, the NATO secretary general said, in the success of the gigantic transformations in your country.

A new, stable, peaceful, and prosperous Europe cannot be built without Russia. And we will solve our problems together. With the participation of all the Commonwealth states.

Incidentally, about problems. One journalist—a fellow-countryman of ours—inquired about M. Woerner's attitude to the differences between Russia and Ukraine. The reply was that, in my opinion, it is quite reasonable: In some areas views coincide, in others there are differences. So why are you not interested in what the two states have in common? As for the differences, the guest stated, it is not for me to judge—you must resolve them yourselves, reach agreement, and seek solutions. The main thing which both the CIS and West Europe need is to ensure that conflicts are settled peacefully and in mutually acceptable ways. Problems cannot be solved by violence, the Armenia-Azerbaijan conflict is confirmation of that. According to M. Woerner, this view was put to Azerbaijani President A. Mutalibov during his visit to Brussels.

It is interesting that, in response to a question about whether the issue of the retargeting of CIS strategic nuclear weapons was raised during the course of the visit, the NATO secretary general said: "The problem was mentioned but not discussed. This is not our main concern today—after all, we are now partners." There you are!

And, finally, some information for those interested in whether Russia or, say, Ukraine will become members of NATO. "We have received no requests to that effect as yet," M. Woerner said.

NATO Seeks 'New Image' in CIS, East Europe

924P0092B Moscow LITERATURNAYA GAZETA in Russian No 9, 26 Feb 92 p 9

[Article by LITERATURNAYA GAZETA special correspondent Igor Ivanov: "Yesterday's Enemy Has Become a Peacemaker: The Managers in the Shoulder Boards Have Enough Work"]

[Text] Brussels-Moscow—**The NATO bloc has lost its enemy in the East. But it has detected signs of a "cold war" between Ukraine and Russia.**

"NATO's main task is to convince civilians of the need to preserve the armies and the NATO treaty itself." This note is the last one in a notebook given to me as a guest in NATO Headquarters in Brussels. The quote, from a statement made by a NATO officer to a group of journalists from Russia (their trip was organized by the newspaper MEGAPOLIS EKSPRESS), is not at all suitable for summing up impressions from the two days of continuous briefings and the kaleidoscope of all kinds of uniforms and distinguishing badges.

Public opinion polls show that NATO enjoys declining support in North America, which does not understand against whom American soldiers are to defend Europe. In West Europe there is also growing doubt: The potential enemy has disappeared but the economic slump continues. The NATO supreme allied commander, Europe, General John Galvin, has been forced to give more interviews than a Hollywood star. Last year alone he had 176 meetings with the press to explain the essential nature of the new NATO doctrine.

The opinion of East Europeans is directly opposed to NATO's opinion on NATO's role in a changing world. Paradoxically NATO has acquired its most ardent supporters from the ruins of the Warsaw Pact Organization. Like any other paradox, this one only seems inexplicable. To the inhabitant of West Europe the worth of the phenomenal arrangement of the cooperation among 3,000 military people from 15 countries who work together in the headquarters of the supreme allied commander, Europe, located 60 kilometers from Brussels, is underestimated. Against the backdrop of the feuding in the CIS, NATO's highest political body—the North Atlantic Council in Brussels—seems to us to be like a unique embassy of 16 countries under the one roof, the more so since all of its decisions are reached only by consensus. But the main thing is that NATO is becoming for the states of East Europe and the CIS one of the main guarantees for their security and stability.

This is exactly the new "image" that NATO is seeking. And although it is no longer the enemy, the East continues to offer arguments in favor of preserving and strengthening NATO. NATO is already organizing the shipment of urgent humanitarian aid to the CIS aboard military transport aircraft, is already accepting officers from the former Soviet Army for its courses, and is already preparing recommendations on reducing and restructuring the armed forces in East Europe. And it is already propagandizing its own new military doctrine, whose essence amounts to "crisis situation management" and controlling local conflicts with the aid of numerically small but very effective rapid response forces.

Judging from how things are going in the countries of East Europe, and particularly on the territory of the former USSR, the need for the NATO managers is guaranteed for a long time. And the two-day meeting with NATO officers (in accordance with existing instructions, journalists should not give their names or military rank) left the impression that they themselves do not know whether to be glad or worried. For one major threat in Europe has been replaced by many small threats that are sources of danger that are difficult to control.

The breakup of the USSR was hardly predictable in terms of the military-political consequences. And NATO must be given its due: It is there more than anywhere else that they sense a new and hidden threat to peace in Europe, and it is there more than anywhere else that th[ey] are creating additional political structures for cooperation in the field of security on the continent. In December last year the first meeting of the NATO Council at foreign ministerial level, on cooperation, took

place in Brussels, and was attended, in addition to NATO, by representatives of six East European countries, the three Baltic countries, and the CIS ambassador. On 10 March the council will convene again, and this time all the former republics of the USSR, except Georgia, will be invited to take part in its work.

It is easy to suggest that the talk in the council will be primarily about the fate of CIS Armed Forces. The NATO secretary general himself, Manfred Woerner, undertook to carry out a "reconnaissance" at the local level on the eve of the meeting. It is worth noting that although armed with an invitation from the president of Russia, he started his trip with an unexpected two-day visit to the president of Ukraine. According to the NATO assessments, relations between the two quite recent fraternal republics are more reminiscent of the "cold war." NATO has many questions for the leaders of the two great Slavic states, from control over the USSR nuclear arsenal to the purpose behind the creation of and sizes of national armies. Perhaps it would be worth Kravchuk and Yeltsin's while to listen to the opinions of their own recent enemies, who learned long ago to subordinate personal ambition to the higher interests of security on the continent.

Strasbourg Conference Results Evaluated

LD2202225292 Moscow TASS in English 1638 GMT 22 Feb 92

[By ITAR-TASS correspondents Sergey Batirev and Victor Khrekov]

[Text] Strasbourg February 22 TASS—The dialogue between representatives of Western democracies and Eastern Europe is at present entering into a qualitatively new level in the cardinally changed conditions on the continent. That is how the outcome of the most representative meeting of the highest legislative bodies of Europe concluded here today can be evaluted. About 40 leaders of European parliamentary assemblies from 32 European countries took part. The Speaker of the Second Chamber of the Netherlands Willem Deetmen finalised the exact number of the participating countries in the concluding session summing up the results of the conference.

The Russian parliament was represented by its speaker Ruslan Khasbulatov.

In his concluding address Deetmen said that the unanimity shown by all participants to such a highly representative and multinational assembly on the main question: parliamentary democracy is a necessary condition for peace and cooperation among nations, was a pleasant surprise for him. Deetman, in particular, drew attention to the proposal put forward by the Belgian representative Charles Ferdinand Nothomb, who spoke in favour of development of concrete forms of cooperation among parliamentary assemblies of the Council of Europe and parliaments of Eastern Europe. The idea of the European parliament's speaker Egon Klepsch to form a special fund for development of European democracy was also mentioned, which echoed in the address of Khasbulatov and the Chairman of the Federal Assembly of Czechoslovakia Alexander Dubcek's warning regarding danger of thoughtless destruction of everything positive that was created in Eastern Europe during the existence of a totalitarian regime there.

The participants in the conference decisively and unanimously condemned manifestations of racism, antisemitism and national hatred, which quite often accompany formation of democracy in the eastern part of the continent. These phenomena were not only condemned, but the means of finding solutions to the destructive tendencies giving birth to these problems were also discussed.

CIS Army Chief Meets China's Defense Minister

LD2702150992 Moscow TASS in English 1429 GMT 27 Feb 92

[By ITAR-TAS correspondent Sergey Sorokin]

[Text] Beijing February 27 TASS—"The development of friendly relations with the peoples and the Armed Forces of the Commonwealth of Independent States (CIS) by China meets the fundamental interests of the peoples of our countries," Jiang Zemin, general secretary of the Chinese Communist Party Central Committee and chairman of China's Central Military Council, said here today during a meeting with Colonel General V.N. Samsonov, chief of the general staff of the CIS joint Armed Forces, who is currently here on a visit.

The second day of Samsonov's visit to China began with a call on the Chinese Army's Academy of Military Sciences. Addressing academy directors and the faculty, General Samsonov made an estimate of the military and political situation in the Asia-Pacific region and set out the basic principles and aspects of a CIS draft military doctrine which is being worked out.

He elucidated approaches to carrying out a military reform in the CIS joint Armed Forces in view of changes taking place in the world and in keeping with accords reached at CIS leaders' meetings.

The CIS military leader had a meeting with Colonel General Qin Jiwei, member of China's Council of State and minister of defence, on Thursday [27 February] night. On behalf of the leadership of the ministry, Qin Jiwei gave an official dinner in honour of the guests.

General Samsonov and his party set out on a tour of the country on Friday [28 February] morning.

Fleet Spokesman on 'Unique' Sub Collision

LD2702140692 Moscow TASS in English 1315 GMT 27 Feb 92

[By ITAR-TASS military writer Andrey Naryshkin]

[Text] Moscow February 27 TASS—The recent collision of CIS and U.S. submarines in the Barents Sea was not deliberate, as such an accident is fraught with mortal danger for both sides, Aleksandr Veledeyev, spokesman for the Northern Fleet, told TASS on Thursday [27 February]. He denied press allegations that the Commander of the CIS submarine, Igor Lokot, deliberately attacked the U.S. "Baton Rouge" sub head on.

Had the boats collided at a different angle both of them would have sunk instantly and no one would have been able to shut down the nuclear reactors, he said, adding that both submarines are armed with nuclear torpedoes and the "Baton Rouge" has nuclear "Tomahawk" missiles as well.

Collisions between Soviet and U.S. submarines were regular between 1967 and 1986, but this is the first accident occurring in the last five years, Veledeyev said, quoting Chief Navigator of the CIS Fleet Valeriy Alexin. The latest collision is unique in that it occurred in CIS territorial waters. "That fact has been proved without any doubts", he said, adding the headquarters of the Northern Fleet possess all documents and navigational charts which determine the latitude and longitude of the collision with the highest degree (up to one second) of accuracy. The collision occurred five nautical miles inside CIS territorial waters, Veledeyev stated.

The fleet experts believe the "Baton Rouge" was chasing the CIS submarine, a brand new model, manoeuvering from behind and taking advantage of acoustic blind spots. There was also a Russian fishing trawler in the area which helped the Americans to stay unnoticed, Veledeyev said, adding it was hard to spot an alien submarine in such conditions due to the peculiar bottom surface of the Barents Sea.

"Had something of the kind happened near Norfolk or any other U.S. naval base, U.S. congressmen would demand the next day to double allocations to naval programmes and toughen the naval patrol regime. Our press, on the contrary, is frantically looking for the one who is to blame. That is absurd", Veledeyev said, but added the U.S. Commander was manoeuvering in a dangerous and unprofessional way. "The level of his professional training is not as high as we usually think of U.S. Navy officers", he stated.

None of the Northern Fleet submarines are on combat duty near the U.S. shores at present, while U.S. nuclear submarines are rather active in our northern seas, Veledeyev said.

International Role in Nagorno-Karabakh Viewed

PM2402153992 Moscow IZVESTIYA in Russian 22 Feb 92 Morning Edition pp 1,5

[Report by Aleksey Portanskiy: "West Thinks Moscow Accord Promising"]

[Text] Judging from the reports received via the mass media, the fact that Armenia and Azerbaijan have for the first time officially recognized the role that the CSCE and the United Nations could play in settling the conflict has immediately been noticed abroad. That is why the present Moscow agreement inspires some hope of progress. Although at the same time Western observers remain cautious in their estimate of it because everyone still remembers the September 1991 agreement in Zheleznovodsk, which also recognized the need for an "immediate cease-fire." As is well known, neither side fulfilled it.

The attention paid by the international community to the Nagorno-Karabakh problem has increased perceptibly in recent weeks. The European forum observers group that returned from the region Tuesday [18 February] intends to propose that settlement talks involving the interested parties be held under CSCE auspices. Baroness Cox, deputy speaker of Britain's House of Lords, Social Democratic Party of Germany Bundestag Deputy Dietrich Sperling, and Nagorno-Karabakh parliamentary deputy Zoriy Balayan have put forward a joint initiative in Bonn "to invite as many parliamentarians from other countries as possible to Nagorno-Karabakh to enable them to assess the real situation on the spot." The Azerbaijani side has put forward an initiative to hold sessions of members of the European Parliament and the NATO Council in Baku and Yerevan so that they can familiarize themselves with the situation on the spot. France is ready to help in settling the Karabakh conflict, French Deputy Foreign Minister Bernard Kouchner stated in Baku.

I would recall that for effective participation by the international community in resolving the regional conflict in principle the UN Security Council must recognize that it represents a threat to international peace and security. Subsequently there must be a series of international legal and financial procedures for the creation of a mechanism for the international settlement of the conflict.

Azerbaijan, many experts believe, is not able to satisfy the legal rights of the Armenian population of the NKAO [Nagorno-Karabakh Autonomous Oblast]. But it should not be forgotten that in the present situation Baku will actively resist any decision based on changing the oblast's status. Hence the danger that any attempt to use international forces could be regarded by Azerbaijan as a defeat in the skirmish with Armenia. At the moment, as is well known, Azerbaijan rejects the idea of the use of peacekeeping forces in the region. Armenia, however, agrees to the presence of UN forces and CIS forces alike. Ultimately a decision must be made. Therefore reliance on the mediation of countries acceptable to both Azerbaijan and Armenia would be of special significance. These could be UN "blue berets" mixed with "Islamic peacekeeping forces" from neighboring Muslim states, one expert has said. The aim is that neither side should reject mediation in the belief that this will cause it to lose face.

Iranian Mission Reflects Quest for Influence

PM2702125092 Moscow IZVESTIYA in Russian 27 Feb 92 Morning Edition p 1, 4

[Report by Konstantin Eggert: "Velayati's Mission in Nagorno-Karabakh. Iran Wants To Mediate Between Armenia and Azerbaijan"]

[Text] A 25-hour cease-fire was due to come into force in Nagorno-Karabakh at 0900 hours local time 26 February. Both sides in the Armenian-Azerbaijani conflict had agreed to this step in order to allow Iranian Foreign Minister 'Ali Akbar Velayati to make an unexpected and dramatic attempt at mediation in the hope of achieving an end to the hostilities.

The head of the Iranian Foreign Ministry held talks in Baku with President Mutalibov 25 February, planning to visit Nagorno-Karabakh the following day before proceeding to Yerevan. According to REUTER, on conclusion of the talks with the Azerbaijani leadership, which both sides described as "encouraging," Velayati declared in very forceful terms that this was merely Iran's "first step" along the road of settling the Karabakh conflict. According to him, the Iranian side has a number of effective proposals to make with a view to stabilizing the situation in the region. Their concrete content is not known, but UPI reports, citing Tehran Radio, that Azerbaijani administration is "to be retained" in Karabakh during the initial stage.

Officially, Velayati's mission was undertaken at the request of the foreign ministers of Azerbaijan and Armenia. However, few people doubt that the real initiative comes from Iran which is trying to unravel the knot of contradictions. Secretary of State J. Baker gave a very pessimistic assessment of the prospects for a peaceful settlement of the conflict during his latest tour of the CIS. So what is prompting Tehran to embark on what appears to be a hopeless undertaking?

It has been said that Iran is allegedly alarmed at the war in the vicinity of its own borders. I believe that this is far from the main consideration of Rafsanjani's government. Velayati's mediation has to be seen within the framework of the regional struggle for influence, a struggle primarily between Iran and Turkey, which the United States has of late been increasingly counterposing to Iran as a model for the new states on the southern flank of the CIS. The timing could not be better. Russia has demonstrated its inability to influence events, not least as a result of its image of an "imperial" state. Turkey's mediation would be rejected by Yerevan, and UN intervention is unacceptable to Baku.

Meanwhile Velayati is a figure entirely acceptable to both sides, for different reasons, of course. Armenia views Iran as a counterweight to Turkish influence in the region, and especially in Azerbaijan. Incidentally, in this respect the opposition in the republic parliament is even more determined than the government. In an interview with me last summer, Ashot Navasardyan, the leader of the Armenian opposition republican party, expressed himself in favor of an all-around development of ties with Iran.

Baku's position is also understandable: Islamic Iran is the most preferable among all possible mediators. Any plan for a settlement which comes from Tehran is, naturally, more likely to proceed from Azerbaijan's interests. Velayati cannot permit himself the luxury of total impartiality without risking to lose the support of the influential Azerbaijani diaspora at home. Yerevan cannot but be aware of this. The government of Levon Ter-Petrosyan is probably prepared to make certain concessions, perhaps even substantial concessions, to Baku in the face of the threat of physical annihilation hanging over the inhabitants of Karabakh. It is most likely that plans for the autonomization of the oblast within Azerbaijan will be revived, although it is not quite clear what guarantees for the population's safety and ethnic balance Tehran can offer.

Whatever the case, the Iranian leadership stands to lose nothing as a result of Velayati's mission, and in the event of a success, albeit a small one, Iran's chances of a victory in the struggle for influence in the region will increase.

Incidentally, there is another aspect to this situation: Both Azerbaijan and Armenia are members of the CSCE. According to a TASS-ITAR report they were reminded of this in no uncertain terms by FRG Foreign Minister Genscher who, on behalf of the FRG Government, demanded that both sides observe the full range of commitments which they have accepted under the Helsinki process. The Armenian-Azerbaijani conflict will be discussed in Prague 27-28 February at a session of the committee of senior CSCE officials. Naturally, for Europe and the United States the mediation of the United Nations or European security structures would be preferable to the not disinterested mission of the Iranian minister. For this reason closer attention to the Nagorno-Karabakh problem on the part of international organizations is to be expected in the near future.

However the prospect of the "blue berets" being dispatched to the area is not a very likely one for the time being in view of the unacceptability of this idea to Baku and the international community's lack of real levers to bring pressure to bear on Azerbaijan. Therefore even Velayati's initiative will mark a step forward, if it manages to stop the bloodshed.

To date Iran has spent more than $500 million on strengthening its influence in the former Soviet Central Asian republics, a leader of the Iranian opposition stated at a news conference held in Washington on Tuesday [25 February]. According to an AP report he stated that Tehran has established a special government department to coordinate Iran's actions in this question. The campaign is headed by a relative of the country's President Hashemi Rafsanjani. The ultimate aim of Tehran's

efforts is "to play the same role in the Islamic bloc as the USSR played in the communist bloc."

'Concern' Over Iranian Influence in CIS Grows

NC2802074792 Moscow Radio Moscow in Persian to Iran 1330 GMT 26 Feb 92

[Commentary by Sergey Viktorov]

[Text] Dear listeners, the U.S. Administration has called on the IMF and the World Bank to postpone financial and technical assistance to Iran for the exploration of natural gas resources. Radio Moscow analyst Sergey Viktorov writes the following on this:

After many years, the overt hostility in Iranian-U.S. relations has become a political reality and [words indistinct] the two countries have almost no relations with each other.

Therefore, no one is surprised that with its call on the IMF and World Bank not to extend assistance to Iran, the United States is carrying out yet another ill-intentioned act against Iran. This is not the first U.S. measure against Iraq, and it may not be the last.

But regarding this specific case there is one significant point. This point was stated by Japan's KYODO news agency citing diplomatic sources in Washington. The news agency believes that the reason behind the U.S. call on the IMF and the World Bank stems from the U.S. Administration's concern over the fact that with its exports of gas to Uzbekistan, Tajikstan, and Turkmenistan, Tehran will increase its influence over these former Soviet republics. Washington believes that this can, in turn, exacerbate the political instability in Central Asia and in the Near East.

Of course, America's geopolitical (?observations) can be (?disputed). For example, as far as [word indistinct] is concerned, one cannot speak of depending on anyone for gas, because Turkmenistan delivers gas to many regions from its own rich natural gas resources. Meanwhile, it is inconceivable that Uzbekistan and Tajikstan will conform their policies with foreign interests in exchange for the export of an item. Also, as far as we know, during U.S. Secretary of State James Baker's recent visit to Tashkent, Dushanbe, and Ashkabad, he was decisively assured that the Central Asian republics do not intend to alter their governmental structure to comply with any model and that they want to progress in their own way.

Another point also should (?be noted). Recently more and more efforts are being made to portray the Central Asian area as an untapped area in [word indistinct], alleging that it is worth fighting over by Ankara, Tehran, Islamabad, Washington, and many other countries. But this is not the situation at all. The (?new) countries in Central Asia are not an arena for the rivalry of foreign powers. They are independent members of the Commonwealth of Independent States. Thus, those who want to cooperate with them should understand this new reality.

Turkey's Cetin Visits CIS, Not Armenia

OW2802160992 Moscow INTERFAX in English 1330 GMT 28 Feb 92

[Transmitted via KYODO]

[Text] The Turkish Foreign Minister Hikmet Cetin has begun his tour of several CIS countries. As DP [Diplomatic Panorama] learned at the Turkish Embassy in Moscow, today he arrived in Baku to confer with Azerbaijan's President Ayaz Mutalibov. On Saturday [29 February] H. Cetin will be in Ashkhabad (Turkmenistan), on Sunday in Dushanbe (Tajikistan), on Monday in Alma Ata (Kazakhstan), on Tuesday in Bishkek (Kyrgyzstan), on Wednesday in Tashkent (Uzbekistan), on Thursday in Kiev (Ukraine). On March 6 he is planning to fly to Ankara.

The Embassy didn't rule out the possibility of H. Cetin's visiting the Belarussian capital Minsk. As for a trip to Yerevan, Embassy officials stressed that the Turkish Foreign Minister is not planning to visit Armenia's capital, "since his trip has nothing to do with attempts to mediate in the Armenian-Azeri conflict over Nagorno-Karabakh; it's aimed at establishing diplomatic relations with a number of CIS countries".

Nevertheless experts believe that not all is so simple. H. Cetin's tour is taking place close in the tracks of the Iranian Foreign Minister 'Ali Akbar Velayati who has just visited Baku and Yerevan, and who made no secret of the mediatory nature of his mission. It's common knowledge that Iran and Turkey are competing for influence in the Muslim republics of the former USSR.

Turkey Reassures Republics on 'Normal' Exercises

PM2602154392 Moscow ROSSIYSKAYA GAZETA in Russian 22 Feb 92 First Edition p 6

[ITAR-TASS report: "Alarm in Armenia and Georgia"]

[Text] Ankara—The Winter-92 military exercises will be held in northwest Turkey 27-28 February this year. According to a statement by the General Staff of the Turkish Armed Forces, the purpose of the maneuvers is to hone and coordinate the actions of combined combat units in complex winter conditions.

The local press notes that the holding of military exercises in regions bordering on the former USSR is causing alarm in Armenia and Georgia. According to information in the newspaper HURRIYET, border posts have been strengthened in these republics and troops have been placed in combat readiness because of the scheduled Turkish Army exercises.

In this connection the Turkish Foreign Ministry has stated, among other things, that "Turkish Armed Forces maneuvers are held in this region every year, and the current exercises are normal practice."

Italy 'Strengthening' Foreign Trade With CIS

LD2602165892 Moscow TASS in English 1546 GMT 26 Feb 92

[By ITAR-TASS correspondent Aleksandr Golovanov]

[Text] Rome February 26—According to the foreign trade volume estimates, Italy ranks above Japan in cooperating with the former Soviet Republics in 1991, the "SOLE - 24 ORE" newspaper reported on Wednesday [26 February].

Although during the first months of 1992, trade and economic relations between Italy and the republics of the former Soviet Union slowed down, due to temporary freezing of credits to Russia, the strengthening of new Commonwealth structure creates more hope for a better cooperation, the newspaper said.

According to the source, representatives of 600 organisations and firms, members of the CIS-Italian Chamber of Commerce, will meet to discuss "new relations" next Monday [2 March] in the Italian capital. Delegates from the former Soviet Republics are also expected to participate in the conference.

Although the chamber will be soon renamed into Italian-Russian one, "its doors will also be opened for enterprises of other CIS member republics", chamber president Ruggero Ferrero told the newspaper. There are subsidiaries in Kiev and Minsk and new bureaus will be opened in other republics, beginning with Khazakhstan, Ferrero emphasised.

Ways of Introducing National Currency Explored

LD2102184392 Moscow TASS International Service in Russian 2359 GMT 17 Feb 92

[By ITAR-TASS correspondent Valeriy Shashkov]

[Text] Brussels, 18 Feb (ITAR-TASS)—A conference initiated by the Commission of European Communities and devoted to working out general rules in interstate trade between the former USSR republics and introducing their own currencies was held in the Belgian capital. Delegations from the member states of the Commonwealth of Independent States, Latvia, Lithuania, and Estonia, prominent Western economists, representatives of a number of international states, including the European Community, the European Bank for Reconstruction and Development, the Organization for Economic Cooperation and Development, and the World Bank took part in the conference.

According to the intention of the immediate organizer of the conference—the European Center for Political Research, and the Soros Foundation, named after its founder—it should have allowed representatives of the former Union republics to discuss questions of economic and financial interrelations in an informal situation and outside the framework of official interstate contacts. As the conference work demonstrated, this formula quite justified itself. Its participants, guided by the requirements of the general agreement on tariffs and trade, managed to work out the draft of the present "code of contact", aimed at keeping and developing trade-economic ties existing between their countries. It represents a package of recommendations to the governments on the basis of which specific agreements can be worked out.

However, another document gave rise to the greatest interest—on principles of introducing national currencies—which was prepared during the talks between the Ukrainian and Russian delegations. It envisages, in particular, reducing the damage of this step to the maximum and confidentially reporting about intentions.

As Vladimir Grinev, deputy chairman of the Ukrainian Parliament, stated when he spoke at the final news conference, the Ukrainian national currency is to be introduced as early a- this year. In this way an explanation is given on an attempt to work out the rules which should be followed by the states who want not simply to leave the ruble zone, but who want to retain normal economic relations as well. It seems to me, he said, that we have managed to find a successful formula.

This point of view is shared by Vladimir Shumeyko, head of the Russian Federation and deputy chairman of the Russian Supreme Soviet. According to him, introducing national currency by "civilized methods" can help to avert the negative effect of this step on ongoing economic processes. They both expressed confidence that the draft document would be approved by the governments of both states, and would serve as a model for other CIS countries who decide to follow Ukraine's way.

I think that the conference was very useful, Vladimir Shumeyko said in a conversation with an ITAR-TASS correspondent. Unfortunately, at the moment it is difficult to achieve a situation when economy prevails over politics. In Brussels—on "neutral territory," and in the presence of highly qualified Western specialists—we managed to set aside unnecessarily politicized problems of sovereignty (which, incidentally, nobody questions), and to deal with purely economic and financial aspects of tasks which confront us. This allowed us to move forward on the road toward their solution.

CIS Troop Withdrawal To Begin From Lithuania

LD2702104292 Moscow Radio Moscow World Service in English 1210 GMT 25 Feb 92

[Text] The Commonwealth of Independent States has started withdrawing its troops from the Baltic area. First

an anti-aircraft division is to be redeployed from Lithuania. More in the following item compiled by our commentator Vitaliy Gurov:

Most likely the name of the town of Mickunai, near the Lithuanian capital Vilnius, will go down in the history of this Baltic country. It is the spot chosen by the Command of the Joint CIS Armed Forces for starting the pull-out of troops from Lithuania. Although the unit having been withdrawn is very small and although the demands of the Lithuanian leadership are greater, one can assume that Mickunai will become a symbol of not only the beginning of the pull-out of troops but also the fact that Russia can keep its word. And what is possibly more important, Mickunai will become a symbol of new relations beginning to shape between Lithuania, Latvia, and Estonia on the one hand and the Commonwealth countries, first of Russia, on the other.

In the meantime, many observers in Lithuania believe that the pull-out of such a small unit can hardly be regarded as the real start of the troops' withdrawal. The Minister for the Protection of the Land of the Republic of Lithuania, Audrius Butkevicius, has noted in a cable to the commander of the North Western Group of the CIS troops, Gen. Mironov, that the fact of the pull-out can become real only when the site of the deployment is fully turned over to Lithuania. This is not a real beginning of the Army pull-out from the territory of the Republic of Lithuania, says a statement by the Speaker of the Lithuanian Parliament, Vytautas Landsbergis. He adds that during his meeting with the Russian President Boris Yeltsin an accord was reached that the Army will be first of all withdrawn from the capital city, Vilnius. But the process will hardly begin in February, Landsbergis says.

Yet a beginning is always a beginning. Apparently each side understands it in its own way. I think, however, writes our commentator, that the troops pull-out has begun. The first anti-aircraft division will be followed by larger units. The situation is somewhat different with the border troops. The issue is still unresolved. The problem of whom these troops are subordinate to has not been settled so far in the CIS. Joint troops are controlling the Lithuanian borders. Only a customs checkpoint on the border with Poland at Lazdijai has been turned over fully under the jurisdiction of the local authorities.

After the CIS troops have been withdrawn from Lithuania, and two other Baltic countries, there will appear, obviously, the problem of the military units in the Kaliningrad region. A reminder that the region is a sort of enclave of Russia within Lithuania and Poland. Speaking a week ago in Vilnius, Vytautas Landsbergis advocated a full demilitarization of the region. In Moscow the statement was received as interference in the internal affairs of Russia. Undoubtedly these words of the Lithuanian leader can become a sort of detonator for the rather complicated talks underway now on the pull-out of the troops from Lithuania and two other Baltic countries.

Commonwealth

Communique Urges Interparliamentary Cooperation

Next Meeting in Alma-Ata

LD2702155192 Moscow TASS International Service in Russian 1511 GMT 27 Feb 92

[Text] Moscow, 27 Feb (TASS)—Participants in the Conference of Heads of Supreme Soviets of the CIS states were "unanimous in their recognition of the need to improve the methods and forms of varied cooperation between the parliaments of the CIS states, something that would act as a major factor for strengthening interstate relations on the basis of equality, of mutual respect for sovereignty, and of noninterference in each other's internal affairs." This is stated in the final communique on the results of the conference of heads of parliaments of the CIS states that was held here today.

"Confidence was expressed," the document notes, "that such cooperation will help increase the role of parliaments in the implementation of economic reforms and democratic transformations, and in the consolidation of legal foundations and civil liberties in every state of the Commonwealth." The conference participants said they were in favor of regular meetings and consultations at the level of heads of parliament to examine questions requiring multilateral discussion and resolution within the framework of the CIS.

The next meeting between heads of parliament will take place in Alma-Ata, the capital of Kazakhstan, at the end of March.

Four Agreements Approved

LD2702172992 Moscow TASS International Service in Russian 1518 GMT 27 Feb 92

[By ITAR-TASS correspondent Aleksey Tabachnikov and Tamara Zamyatina]

[Text] Moscow, 27 Feb (TASS)—"There were no disagreements at the conference," Ruslan Khasbulatov said at a news conference devoted to the results of today's conference in Moscow of leaders of the CIS participant states' supreme soviets. He reported that four of the nine documents on the agenda were approved after discussions.

The Agreement on Interparliamentary Cooperation in the Legal Sphere, the Agreement on Consultative Conferences of Leaders of Parliaments, a Protocol on an Interparliamentary Information Inquiry Service, and a Protocol on the Elaboration of Multilateral Acts were approved.

According to Ruslan Khasbulatov, agreement was reached on the main questions. The remaining documents will be considered at the next meeting of heads of parliaments in Alma-Ata at the end of March.

Vasiliy Durdinets, first deputy chairman of Ukraine's Supreme Soviet, confirmed that the delegations had no special positions at the meeting, and he described the conference as "successful." "This is the start of cooperation between our parliaments," he stressed.

The final communique adopted by the conference notes that cooperation between the parliaments of CIS countries will help enhance the supreme soviets' role in implementing economic reforms, democratic transformations, and strengthening legal foundations and civil liberties in each state of the Commonwealth.

CIS Officials Comment

LD2702233892 Moscow Russian Television Network in Russian 2000 GMT 27 Feb 92

[From the "Vesti" newscast]

[Text] In Moscow today there was a meeting of the leaders of parliaments of the Commonwealth member countries. Only a representative from Uzbekistan was absent from the meeting for unknown reasons. It was intended to sign nine documents. Four had been signed before dinner. It was proposed to create a sort of interparliamentary assembly, but the majority of participants regarded this as an attempt to revive the idea of the old Center and to create something like the Supreme Soviet of the USSR.

Later in the evening at a news conference, Elmira Kafarova, chairman of the parliament of Azerbaijan, stated that the National Council of Azerbaijan continued to have an equivocal attitude to the CIS. It fears that the Commonwealth may become just another bureaucratic organization.

Aleksandr Yemet, Ukrainian state counsellor on legal policy, who participated in the conference, pointed out the danger of creating within the framework of the Commonwealth any coordinating organs that could very quickly become organs of state control. He noted that the danger of a return to a totalitarian regime has not yet totally disappeared. He described the main task of the CIS as being to preserve peaceful relations between the republics of the former Union and nothing more than that.

Military

Shaposhnikov Hopes for 'New Type' of Forces

PM2702163192 Moscow Russian Television Network in Russian 1700 GMT 13 Feb 92

[Report by A. Shashkov and A. Arbuzov; from the "Vesti" newscast]

[Text] [Shashkov] The three-day conference at which the military have been preparing a package of documents for CIS heads of state ended in Minsk today. Tomorrow the documents will be examined in the Belarussian capital.

[Marshal Ye. Shaposhnikov, commander in chief of the CIS Armed Forces] All the documents have been finalized and agreed at defense minister level. I hope that all the 13 documents will be examined by the heads of state tomorrow.

[Shashkov] Having completed their work, the conference participants were able once again to see for themselves what has been entrusted to them. At the Machurishche Military Airfield military pilots displayed both marvels of technology and marvels of skill.

[Arbuzov] Naturally, this air show, like most military parades, has a practical political aim.

The military are trying to protect the Army from the politicians and do not tire of repeating that it takes at least 600 different enterprises to produce each of these aircraft and that dividing up the aircraft industry is tantamount to destroying it.

Tomorrow will show whether Marshal Shaposhnikov's hopes will come true.

[Shaposhnikov] My main hope is to create Armed Forces of a new type, and to do this with minimal losses for our personnel, without tears and suffering for our officers, our wives, and our families. And ultimately I dream of an Army which does not have to think about where its next meal is coming from.

North Fleet Helicopter Crashes in Barents Sea

Investigation Begins

LD2702170192 Moscow TASS International Service in Russian 1605 GMT 27 Feb 92

[Text] Moscow, 27 Feb (ITAR-TASS)—A North Fleet "KA-27" helicopter had an accident on 26 February during a flight over the Barents Sea.

As an ITAR-TASS correspondent was told at the Navy press center, 10 people were on board. So far three people have been rescued and are in satisfactory condition. A search for other survivors continues. North Fleet combat and rescue ships as well as Navy aircraft are involved in the search.

A commission has begun investigating the causes and circumstances of the accident.

Further Details

LD2702235892 Moscow Radio Rossii Network in Russian 2100 GMT 27 Feb 92

[Report from Murmansk by correspondent Yuriy Arkhipov]

[Text] An exercise in taking off and landing on the deck of an aircraft carrier was being run by the Air Force of the Red Banner Northern Fleet. During a regular attempt the helicopter lost speed, and after failing to reach the ship by 150 meters, it fell into the Barents Sea. There were 10 servicemen on board; seven were killed and three managed to save themselves. They managed to jump out of the falling helicopter into the sea and were picked up by the military. Doctors are not worried about their condition at the moment.

Immediately after the accident a search party was organized; the party found three dead people. Then the military asked a Northern Fleet observation service of the Sevryba association of fishing enterprises for help, requesting that the association organize a search party. The fishermen met the request of the military. Eight ships fishing in the region joined the search. Practically all night the ships of the association searched for survivors, but without results. The region has temporarily been closed for ship traffic. At present a plan for raising the helicopter is being elaborated. The search for the dead servicemen is now under way. A special commission has been set up at the Red Banner Northern Fleet to clarify the reasons for the accident.

Dissatisfaction has been expressed on the side of the administration in Murmansk Oblast about the behavior of the Red Banner Northern Fleet in this situation. Neither the head of the oblast administration nor the chairman of the oblast Soviet of People's Deputies knew anything about what happened. Ivan Menshikov, representative of the Russian President in Murmansk Oblast, intends to meet with the command of the Northern Fleet and to request that in the future representatives of the legitimate power on the peninsula be the first to know about such accidents.

Social

Poll on Future Economic, Political Situation

OW2802054592 Moscow INTERFAX in English 0517 GMT 28 Feb 92

[Transmitted via KYODO]

[Text] According to the DATA news agency, respondents in the February 8-18 survey by the National Public Opinion Studies Center (1635 in Russia, 517 in Ukraine, 498 in Kakakhstan) were asked what they expect in the political and economic spheres.

	IN POLITICS		
	Russia	Ukraine	Kazakhstan
improvement	27	37	52
worsening	56	45	39
	IN ECONOMY		
improvement	22	28	46
worsening	68	59	45

The rest were undecided.

Media

TASS Carries Press Review for 27 Feb

LD2702061992 Moscow TASS in English 0534 GMT 27 Feb 92

["Press Review"—TASS headline]

[Text] Moscow February 27 ITAR-TASS—The independent NEZAVISIMAYA GAZETA paper believes today's working meeting of the heads of the Commonwealth parliaments will become a major event in the life of these countries.

The participants will discuss the draft agreements on interparliamentary cooperation in the legal sphere, set up commissions to coordinate legislative activity and examine an agreement to bring closer economic legislations. However, experts think the overriding issue, although it was not put on the agenda of the meeting, is to elaborate a mechanism for ratifying joint agreements.

Observers believe the most essential differences are expected to emerge on the issue of establishing a Commonwealth parliamentary assembly, a peculiar consultative parliament of the Commonwealth of Independent States.

NEZAVISIMAYA GAZETA also publishes an interview with Russian Minister of Foreign Economic Relations Petr Aven. In the interview, Aven dismissed charges of "experimentation" levelled against the republican government.

"We are trying to accomplish what all have already done," he said, expressing the viewpoint of his government. The minister from the Yegor Gaydar team referred to the experience of Poland, Israel and Argentina in stabilising their economies.

Aven pointed out the emission amounted to 19 billion roubles in January 1992 as against 23 billion in December 1991. "This was achieved in the situation where prices were freed up," he stressed.

Aven said the resignation of the republican government was not expected shortly. "Like my friends, I am not going to step down in the foreseeable future," he said.

The general director of the Vostokredmet Association, which is the sole enterprise in the Commonwealth to enrich and produce uranium-238 and is located in the Tajik city of Chkalovsk, in an interview with NEZAVISIMAYA GAZETA denied reports that this strategic raw material for the production of nuclear warheads can fall into the hands of Muslim states. Such "articles have the political underlying reason to maintain tension in the Republic and pit the East against the West," he said.

Asked about what foreign firms approached the association through non-governmental channels as regards the sale of uranium, Yuriy Nesterov said those were American firms.

In an interview with the newspaper TRUD, General Anatoliy Oleynikov, Russian first deputy minister of security, said the main tasks of the Russian Ministry of Security, which is now being formed, will be to protect the state sovereignty, supply the president and the supreme bodies of authority with information about a threat to the state's security as well as analyse and project the political situation inside the country.

Oleynikov said the Ministry would also be engaged in counter- intelligence to head off subversive intelligence activity by foreign services.

According to preliminary estimates, Belarus's armed forces will number about 90,000 men, Mechislav Grib, chairman of the Belarussian parliamentary permanent commission for issues of national security, defence and combatting crime, said in an interview with the Army newspaper KRASNAYA ZVEZDA.

At the same time, he favoured the single material and technical supply of the Armed Forces in the transition period. "However, eventually, Belarus should itself ensure its army with everything necessary," he noted.

Newspapers feature materials dealing with the Karabakh conflict, pointing out that constant attempts are being made to involve the army into it. They also comment on Iranian Foreign Minister 'Ali Akbar Velayati's mediation mission in Baku.

International Affairs

Kozyrev Begins 'Working Visit' To Africa

Addresses Military Specialists

LD2702200992 Moscow TASS International Service in Russian 1741 GMT 27 Feb 92

[By ITAR-TASS special correspondents Aleksandr Korzun and Georgiy Shmelev]

[Text] Luanda, 27 Feb (ITAR-TASS)—Russian Foreign Minister Andrey Kozyrev, who is in Luanda on a short working visit, met today with members of the former Soviet military mission in the People's Republic of Angola. In his address, he announced that agreement had been reached during talks in Luanda on concluding the activities of the former Soviet military mission in Angola. Kozyrev thanked the mission for precisely discharging its military duty and stressed that Russia and the other CIS countries are awaiting the return of their servicemen.

The minister indicated that cooperation with Angola in the military field will continue in the future, which means leaving a small number of Russian military-technical specialists in the country.

Kozyrev told the members of the military mission about the current situation in Russia and about the progress being made in the implementation of democratic transformations and economic reforms.

Answers Journalists' Questions

PM2802115392 Moscow ROSSIYSKAYA GAZETA in Russian 28 Feb 92 First Edition p 7

[ITAR-TASS report under the "Visit" rubric: "On Principles of Equal and Mutually Advantageous Partnership"]

[Text] Luanda is the first stage of a five-day tour of African countries by Russian Federation Foreign Minister Andrey Kozyrev. The head of the Russian foreign policy department will also visit the Republic of South Africa and Egypt.

Issuing a statement for the press on his arrival in the Angolan capital, the Russian minister emphasized that he is "pleased to visit a country with which we have always been bound by sympathies, mutual understanding, and cooperation." A. Kozyrev stated Russia's readiness to cooperate with Angola on a new basis, on the principles of an equal and mutually advantageous partnership in very diverse spheres. He assured the Angolan leadership of Russia's intention to consistently promote the process of a peaceful settlement in the PRA [People's Republic of Angola] together with other members of the international community and with the United Nations. According to him, "the buildup of mutual trust and constructive cooperation among all the Angolan sides with an interest in national reconciliation and in the holding of free elections in the country" serves as the guarantee of success in these efforts.

Answering journalists' questions, A. Kozyrev emphasized that this is his first visit to the continent of Africa since democratic Russia acquired full sovereignty. "We deemed it correct," he said, "for this visit to begin precisely in Angola, one of the greatest and richest countries in Africa."

Touching on the problem of Angola's debts to the former Soviet Union, the minister said that this question will be examined in the upcoming talks with the PRA leadership. "I think we will seek a solution which will take account of the actual situation and accord with the interests of both sides," he pointed out. Russia also has big debts to other states, the minister continued, and we believe that our debt must be paid, but we reckon that "it is necessary to discuss these questions in a civilized and calm manner and seek mutually advantageous solutions."

Meets Angolan Officials

LD2702212492 Moscow TASS in English 1951 GMT 27 Feb 92

[By ITAR-TASS special corresondents Aleksandr Korzun and Georgiy Shmelev]

[Text] Luanda February 27 [dateline as received]—Russian Foreign Minister Andrey Kozyrev ended today his short working visit to the People's Republic of Angola. The Russian minister met Angolan President Jose Eduardo dos Santos, discussed the situation in both countries with representatives of the Angolan leadership, state of affairs and the future development of bilateral cooperation on a new basis. [sentence as received]

Kozyrev today itself [as received] addressed a joint session of the military-political council held in the Meridian Hotel of the capital. This body consisting of representatives of the Angolan Government, the UNITA [National Union for the Total Independence of Angola] opposition organization, and as well as observers from Russia, Portugal, the U.S.A., and the UNO [United Nations Organization], controls fulfillment of agreements on Angola's internal conflict signed in May 1991 in Lisbon.

Kozyrev expounded the Russian Government's views on the further development of the peace process in Angola.

Angola is the first stop on Kozyrev's five-day visit to African countries. From Luanda he proceeded to the Republic of South Africa, after which he will reach Egypt on a working visit.

Arrives in Pretoria

LD2802071592 Moscow TASS in English 0702 GMT 28 Feb 92

[By ITAR-TASS correspondents Sergey Kulik and Georgiy Shmelyev]

[Text] Pretoria February 28 TASS—Russian Foreign Minister Andrey Kozyrev arrived in South Africa on Thursday [27 February] for talks with President Frederik de Klerk, Foreign Minister Roelof Botha, leading politicians, including African National Congress President Nelson Mandela, and business representatives.

The sides will discuss restoring political, trade, economic and humanitarian relations.

Foreign ministers are expected to sign a joint statement on the establishment of diplomatic relations and exchange agree to set up consulates general in St. Petersburg and Cape Town.

At Johannesburg's airport Kozyrev was welcomed by his South African counterpart Roelof Botha and other officials.

Kozyrev's visit is a historic event in the life of South African and Russian people, Botha told reporters in the airport.

The visit highlights deep changes happening in the two countries. The times of ideological inhibition, prompted by Marxism and apartheid have passed. The world is undergoing deep democratic transformation, and Russia is in the centre of these developments, Botha said.

Both Russia and South Africa are facing difficulties, which could be resolved much easier if the two cooperate, he said.

Talks with Kozyrev will focus on "many practical issues—establishing diplomatic relations, developing trade, exchanging technologies, forging links in culture and sports", he told TASS.

Asked by local reporters to comment on a Thursday statement by the South African Communist Party, which described the restoration of diplomatic relations between Moscow and Pretoria as "premature", Kozyrev said: "During more than 70 years of familiarity with various dogmatic theories and teachings, including with the Communist ones, we have learnt to listen to advice by their supporters, but act in accord with our own interests."

"Today we are speaking about our joint, with South Africa, adherence to democratic change in order to build a law-based society. Both our countries are sort of in one team. We intend to follow the path of reforms to the end," he said.

Commentary on Relations With Africa

MB2802133592 Moscow Radio Moscow in Afrikaans 1700 GMT 27 Feb 92

[Commentary by Aleksandr Fedorov]

[Text] The Russian minister of foreign affairs, Mr. Andrey Kozyrev, has begun his tour of Africa with a visit to Luanda and talks with the Angolan president, Mr. Eduardo dos Santos. Aleksandr Fedorov comments:

It is no secret that the breakup of the USSR and the creation of the Commonwealth of Independent States were met with mixed feelings in Africa. The spectrum of reactions is reasonably wide, from indifference to serious concern, accompanied by the need, not only to understand the essence and causes of developments but also to achieve clarity on the possibility of further cooperation. What role does Russia play in Africa? This question worries everyone. It is clear that a sober assessment and a new well-thought out policy, taking into account the present international situation, is needed.

For a long time Angola was a typical example of those countries who chose the path of socialism and who enjoyed special attention from the leadership of the former Soviet Union as a result. The USSR supported the ruling parties of these countries by giving them money and weapons, not just because they were regarded as ideological allies but also because they prevented the spread of American influence on the continent. After the signing of the Lisbon peace agreements in May last year, Russia, as the successor of the USSR, carries a moral responsibility to ensure the establishment of peace in Angola with other players, the U.S. and Portugal, who are also involved in the peace process.

A significant problem is the question of Angola's debt to the former Soviet Union. Certain people would like to take advantage of this problem to prevent the extension of ties between the two countries. In Angola, Mr. Kozyrev warned that it is necessary to discuss issues in a civilized, peaceful way and to look for mutually advantageous solutions. Even the opposition in Angola says that Russia can play an important role in the future of Angola and that the ties established between the two countries should not be severed under any circumstances.

South Africa, also to be visited by Mr. Kozyrev, is a typical example of a country whose ties with Moscow is based exclusively on ideology. One would have gained the impression earlier that policy makers of the Soviet Union had worked out a formula concerning relations with South Africa, and that this formula is not subject to either the changes in the country or the attitude of the world against Pretoria. Despite the fiery propaganda of the past 40 years, the people of both countries maintained their interest and respect for one another and did not become enemies. Now that the ideological reasons for this isolation is disappearing it is evidently worthwhile to think back to the historical ties which were

mutually discontinued, as well as the fact that Russia and South Africa had a lot in common: mineral resources, precious stones and a mighty agricultural potential.

Regarding the future of relations there is a clean sheet of paper between the two countries, and whatever is written on this paper will depend on mutual interests. Under the present circumstances, we should also take into account what will be discussed during negotiations. If one takes into account the complicated nature of these problems then one can expect that dialogue will not be easy, but of one thing I am certain, says Aleksandr Fedorov, and that is that Russia's relations with Africa will not be burdened with ideological isms.

Mr. Kozyrev's visit to Angola, South Africa, and Egypt, where the Middle East issue will be discussed, will convey peace as its chief aim, and peace is the best concept to help us to look to the future with hope.

Further on Kozyrev in Africa

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For further reportage on Foreign Minister Andrey Kozyrev's visit to Africa, please see the Sub-Saharan Africa DAILY REPORT on 27 February 1992 and subsequent issues.

Ambassador Strauss on 'Path of Reforms'

LD2702135492 Moscow TASS in English 1329 GMT 27 Feb 92

[Text] Moscow February 27 ITAR-TASS—Without Russia's great strength the Commonwealth of Independent States will not develop and grow stronger, U.S. Ambassador to Russia Robert Strauss announced in an interview this morning with Moscow television.

According to Strauss, it is not clear whether President Yeltsin will succeed in strengthening the CIS or whether the republics will proceed along their own paths. The ambassador believes that in every situation there exists an element of unpredictability. But at the same time he is convinced that Russia enjoys a strong government and rich resources, both material and human. All that is needed now is support from the West, and the West is trying with all its power to show you its support, Strauss said.

Russia is going through a difficult time, the ambassador said, but he believes that its people will support the path of reforms, notwithstanding all the temporary difficulties. If they continue to support this course, then I predict a bright future for Russia, and I would like to help make this a reality.

Concerning his work and life in Moscow, Strauss admitted that upon arriving here last year he had to seriously change his habits. In Washington I always rested on Saturdays and Sundays—played golf, went to restaurants or just stayed at home and swam in the pool, he said. Since arriving in Moscow I have been working seven days and seven nights a week. The work may kill me, but I get great pleasure from it.

CIA 'Far Behind' in 'Glasnost' Policy

PM2802102392 Moscow PRAVDA in Russian 24 Feb 92 p 3

[Report by Vladislav Drobkov: "Will Glasnost Era Come to CIA? Intelligence Department Director Promises 'More Openness'"]

[Excerpts] Washington, 23 Feb—I do not think that the CIA will soon have its own General Kalugins or that the Russian ambassador in Washington will receive a present of a diagram showing the location of U.S. bugging devices. But there will be changes in the department's policy regarding glasnost. That, at any rate, is the promise made by CIA Director Robert Gates. Speaking to the Oklahoma Press Association 21 February, he stated that the agency is preparing to declassify a whole series of material that was previously hidden from the public. [passage omitted]

No particular sensations, at least in the immediate future, are expected from the declassification of other intelligence department archives. First, this is only just being prepared and discussed. Second, a decision has been made to release mainly documents that are not less than 30 years old. And, third, even these will not include operational and technical dossiers. The latter, incidentally, could include information on the electronic information collection system at the vacant U.S. Embassy in Moscow. So that even in this sphere of glasnost the Americans are very far behind us.

But it is almost certain that there will be no repetition here of the public and gratuitous "exposes" that have occurred in Russia over the past few months. Bad examples are not contagious.

U.S. Encourages Firms To Cooperate With Russia

OW2502144992 Moscow INTERFAX in English 1350 GMT 25 Feb 92

[Transmitted via KYODO]

[Text] Jack Murphy, Dresser Industries President and co-head of the Trade and Economic Council (formerly U.S.-Soviet Trade and Economic Council), said at a meeting with his Soviet colleague on the Council board, Arkadiy Volskiy, that the United States will immediately lift all restrictions on trade with Russia, including the Jackson-Vanick amendment and the Stevenson regulation, if Russia endorses the trade agreement concluded earlier between the U.S. and the USSR. He said he had talked the matter over a few days before with U.S. Undersecretary of State Lawrence Eagleberger. Murphy noted that there was no distinct political opposition in his country today to giving Russia Most Favored Nation trade status. Far from that, the American administration had for the first time in many years begun to encourage

U.S. firms to probe markets in Russia and elsewhere in the Commonwealth of Independent States. According to Murphy, the Trade and Economic Council could play a significant role in the process.

Estonian Cooperation Documents Signed

LD2802113292 Moscow Radio Rossii Network in Russian 1000 GMT 28 Feb 92

[Text] Appendices to an intergovernmental treaty on trade and economic cooperation between Estonia and Russia for 1992 have been signed in Moscow. At 1200 the document was signed by Estonian Prime Minister Tiit Vahi, who came to Moscow today on a one-day visit, and Russian Vice Premier Yegor Gaydar, reports the Nega agency. Several days ago, similar additions to an economic treaty were signed between Latvia and Russia.

Swedish Paper's Claims on Espionage Rebuffed

PM2602114992 Moscow IZVESTIYA in Russian 18 Feb 92 Morning Edition p 4

[Marat Zubko feature comprising reprint of SVENSKA DAGBLADET article, followed by commentary by Yu. Kobaladze, head of Russian External Intelligence Service Press Office: "No Let Up In Espionage From the East, Swedish Security Police Chief Claims. But the Russian External Intelligence Service Disagrees"]

[Text] The Stockholm newspaper SVENSKA DAGBLADET has published an article on Russian espionage in Sweden. We are reprinting the article and are also publishing a commentary on it by Yuriy Kobaladze, head of the Russian External Intelligence Service.

Russia has still not started to reduce the large number of intelligence officers in Sweden. And according to Security Police [SAPO] chief Mats Borjesson, there is nothing to indicate that the intelligence activities pursued in Sweden as well as other countries will change under the new leadership in the Kremlin.

"We have no indications that Russia intends to do without an intelligence service of the type the Soviet Union had; that is, an intelligence service which is active abroad in the same way as the KGB," Director General Mats Borjesson said.

After the failed coup in Moscow early last fall there were several signals from the Kremlin that the large-scale and often aggressive intelligence activities would undergo fundamental change to improve relations with the rest of the world. For example, the new KGB chief, Vadim Bakatin, said that the number of "Soviet agents abroad will be reduced by at least half."

"A number of statements were also made by interim Foreign Minister Boris Pankin to the effect that the intention was to reduce activities. We have not seen anything of this as yet and are still waiting for some results from the statements," Mats Borjesson said.

However, some reduction in Russian activities has been noted recently.

"We have noted that things are quieter today than at the same time in 1991, but then the Russians have a great deal to think about at home at the moment," the SAPO chief said.

"In my view there is every reason to continue to follow attentively the development of Russian intelligence activities."

Former Ambassador to Stockholm Boris Pankin, during his brief spell as Soviet foreign minister, also said in the fall that reductions were to be expected. In an interview for KOMSOMOLSKAYA PRAVDA in November, just before his appointment as ambassador to London, he said that "at least one-half of Soviet diplomats abroad were KGB agents using diplomatic cover."

A few weeks before that, the then new KGB head Vadim Bakatin told the world press that "our intelligence activities abroad will be sharply reduced." He put this down to economic reasons, among other things. "We do not have the means to maintain a vast intelligence apparatus," he said in the interview.

In a number of countries the reductions will be large, while KGB personnel will be recalled from other states in their entirety, Bakatin stressed.

According to Mats Borjesson, SAPO cannot confirm at the moment that there has been any reduction in the number of intelligence officers in Sweden.

"As far as we know, there have been no reductions," he said.

But previously it was reported that approximately 70 KGB officers and their military colleagues from the GRU [General Staff Main Intelligence Directorate] are operating in Sweden under a variety of covers, in particular at the embassy in Stockholm. As recently as Christmas, a GRU officer, who had been gathering data on Swedish defenses, was expelled from the country. The man was officially working at the embassy.

Commentary by Yu. Kobaladze

The data cited in the article are largely untrue. For example, the claim that there are approximately 70 employees of our intelligence services in Sweden is simply absurd. In fact, there is a total of 166 Soviet officials (not including members of their families) in Sweden. I know the precise number of our intelligence agents, but, for obvious reasons, I cannot give it. But believe me, it is several times smaller than the figure given by the Swedish newspaper.

Incidentally, the Swedish security police chief, as is evident from the article, admits himself that our intelligence activities are abating. That is the case. Although we do not intend to wind up intelligence activities abroad altogether—that would be against state interests.

But, when deciding on how many of our staffers to send to a particular country, we will proceed on the basis of the principle of reasonable sufficiency.

St. Petersburg, Stockholm Mayors Begin Ties

LD2102181792 Moscow TASS in English 1550 GMT 21 Feb 92

[By TASS correspondent Nikolay Kondratenko]

[Text] St. Petersburg February 21 TASS—The mayors of St. Petersburg and Stockholm today signed a declaration of cooperation between the two cities.

Mayor Anatoliy Sobchak said in his address to the Swedish delegation in his residence that the declaration opened up a good opportunity for the realization of numerous joint projects.

Stockholm Mayor Karl Sederskjold said Sweden had decided to send another shipment of humanitarian aid to St. Petersburg, which is due to arrive next week.

Regarding the declaration signed today, he said his city was ready to develop ties with St. Petersburg along all lines that are of priority importance for St. Petersburg.

"Our aim is to strengthen cooperation and friendly contacts between the two cities and help solve common problems in the Baltic region," the mayor said.

Delegation members also met representatives of the mayorate committees and the Baltic Sea shipping agency.

Indian Trade Protocol Signed in Delhi

PM2602114292 Moscow PRAVDA in Russian 25 Feb 92 p 3

[Report by correspondent Vladilen Baykov: "There Will Be Tea Too. Russia-India: How To Trade"]

[Text] Delhi, 24 Feb—The first trade protocol in history between India and the Russian Federation has been signed in Delhi. The document lays down the volume of bilateral trade for this year at 75 billion Indian rupees.

Provision is made for transactions to be maintained on a rupee basis for a transitional period of one year. At the same time all kinds of trade and business cooperation which are recognized by international norms and in respect of which transactions may be conducted in hard currency or on a barter basis, are possible.

Russia will supply India with petroleum, kerosene, diesel fuel, nonferrous metals, polyethylene, rubber, and newsprint. Indian exports will include deliveries of tea, coffee, black pepper, textile products, and medical supplies.

With a view to maintaining mutual trade, India has provided technical credit to the tune of 8.5 billion rupees.

Arab Businessmen View Alternatives to Moscow

PM2802105792 Moscow IZVESTIYA in Russian 27 Feb 92 Morning Edition p 5

[Report by Aleksey Portanskiy: "Russia Will Continue To Sell Weapons to Arabs and Hopes To Receive Their Capital: Cultural-Business Club Holding Congress for Arab Businessmen in Moscow"]

[Text] Western business people are still trying to work only with state structures and are wasting time as a result. Our government also needs to change, because all their work will come to naught and everything will have to begin from scratch. It would be good if businessmen adopted a new method of working. We urge them to work via Russian business circles and the capitalist sector.

Our business circles are very well informed on the position in the Russian Government, on the market situation, and much else. This is a fundamentally new feature in our life.

Mikhail Maley, Russian state counselor for conversion, addressed those words to the participants in the congress "Arab Businessmen in Moscow," which ran 25 through 27 February. During the congress, Arab entrepreneurs explained that Moscow, for example, is not always the easiest or most convenient place for businessmen to work—sometimes conditions are far more favorable in the provinces and there is considerably less red tape there. One such place, in the state counselor's words, is Udmurtia, where an extensive program of physical and economic conversion of military production and regional development has been elaborated. The republic's leadership intends to pursue the most favorable taxation policy possible, including considerable allowances for businessmen, the rapid registration of firms and subsidiaries, and a banking system close to the Swiss model.

With the Russian president's consent, apparently, foreign capital will also be able to take part in the production of military output in Udmurtia. Regarding cooperation with Arab countries in the military sphere, Maley noted that Russia does not intend leaving the traditional world markets but is going to compete with other world producers while strictly observing all the rules of the international arms trade.

Russia is ready to create favorable conditions for the activity of foreign investors. Ye. Faynshmidt, chief of the Moscow Government's Foreign Economic Ties Administration, announced that work on a package of documents on cooperation with foreign business will be completed by mid-April.

The congress "Arab Businessmen in Moscow" was organized by the international public organization "Arab Cultural-Business Club" headed by its president Almira Najib. Representatives of business circles from Syria,

Jordan, Bahrain, Algeria, and other Arab countries have been taking part in the congress.

Minister Zhitnikov Stresses Urgent Need for Aid

LD2802095392 Moscow TASS International Service in Russian 0700 GMT 25 Feb 92

[By ITAR-TASS correspondent Ivan Lebedev]

[Text] Washington, 25 Feb (TASS)—Reports by the mass media that a significant quantity of the food aid entering Russia is turning up on the "black market" are not true. This was stated on 24 February by Aleksandr Zhitnikov, deputy minister for the social protection of the population of the Rusian Federation, who arrived in the United States for discussion of matters of aid to the republic with representatives of the administration and of public organizations.

Addressing a news conference in the Russian Embassy in Washington, he spoke about the work of the commission set up at the end of last year for international humanitarian and technical aid attached to the Russan Government, of which he is the deputy chairman. According to him, the commission has the potential to ensure that food and medicine received from abroad are distributed to those groups of the population who are currently in the most difficult situation.

A. Zhitnikov noted that 242,000 tonnes of food was received in Russia last year from 88 countries. It is difficult, in his opinion, to determine exactly what proportion of these have turned up on the "black market" or in commercial trade. However, it can undoubtedly be only an extremely insignificant quantity. Thus, for example, according to the appraisals of the International Red Cross, "losses" of humanitarian and food aid in Russia comprised three percent last year.

The commission has defined 31 regions on the territory of Russia where the food shortage may be particularly acute. Among these are all of the large cities with a population of over 1 million and the major industrial centers like, for example, the Kuzbass. The problem is, the deputy minister noted, that "the old links between the industrial centers and the countryside have been destroyed" and this has led to a drastic reduction in the food supply to major enterprises.

Answering a question about how long Russia will still need emergency humanitarian and food aid, A. Zhinikov stated: "We urgently need humanitarian and technical aid from abroad now when we are halfway to implementing economic reforms." The deputy minister also noted that technical aid by other countries in setting up new and modernizing existing food industry enterprises might be of no less significance for the republic.

Norwegian Aid Arrives in Arkhangelsk

LD2802093192 Moscow TASS in English 0752 GMT 28 Feb 92

[By ITAR-TASS correspondent Vladimir Anufriev]

[Text] Arkhangelsk February 28 TASS—A Norwegian aircraft brought a 20-ton [as received] load of medicines and other humanitarian aid to the city of Arkhangelsk late on Thursday [27 February].

Earlier the residents of the Norwegian city of Tromse sent a set of medical equipment, worth half a million U.S. dollars, for an Arkhangelsk hospital.

Urals Scientists Work With China on Technology

LD2102212992 Moscow POSTFACTUM in English 1444 GMT 21 Feb 92

[From the "External Economic Relations" section]

[Text] Yekaterinburg—The government of China has earmarked 1 billion yuans for a zone of high and highest technologies to be created in Harbin jointly with the Urals branch of the Russian Academy of Sciences (URBRAS). Head of the URBRAS international scientific relations administration Anatoliy Kozlov also told PF [POSTFACTUM] on February 21 that the Urals scientists' contribution will, for some time, be purely intellectual. The visit by the Urals scientists to Harbin that resulted in signing the agreement on creating a zone of high and highest technologies ended on February 20. The agreement stipulates that the academy institutes be granted full freedom in using and implementing scientific projects. The agreement is to be approved at the session of the URBRAS presidium where the details of mutual relations are to be specified.

Federation Affairs

Government Meets To Discuss Economic Policy

Approves Memorandum for IMF

LD2702135592 Moscow TASS International Service in Russian 1255 GMT 27 Feb 92

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow, 27 Feb (TASS)—A memorandum on Russia's economic policy, which is to be sent to the International Monetary Fund, was discussed and approved today by the Russian Government. The session, which was conducted by Boris Yeltsin, head of the Russian Cabinet of Ministers, was also attended by Vice President Aleksandr Rutskoy and the heads of executive power of the republics within Russia.

This document is in fact the Russian Government's economic program, which has been coordinated with the IMF. Vice Premier Yegor Gaydar set out the main directions for the development of reform in 1992. He

warned that the Russian people can expect to experience a difficult period of the further liberalization of the economy. According to him, "there will have to be a 'de-freezing' of the prices of a number of consumer goods, for which regulated prices are currently being maintained," "and up to the end of March, the administrative regulation of prices for all goods, except medicines, baby food, and communal services will have to be lifted." Gaydar reported that the prices of power carriers will be freed in stages. This will lead to their growth up to a level of approximately 30 percent of world prices which, naturally, will lead in turn to a further increase in retail prices. "This will amount to 50-75 percent of their present day level" depending on the toughness of the government's finance and credit policy.

In the vice premier's opinion, these measures, which have been agreed upon with the IMF, will lead to a situation whereby "by the end of this year we shall have a market mechanism that is operating normally, a low rate of inflation on the order of two to three percent a month, and a price structure close to that worldwide."

The question of progress made in the fulfilment of the decisions of the president and Government of Russia on questions of economic reform was also examined at the session. With the purpose of protecting the interests of consumers from the monopolism of enterprises which occupy a dominating position in the market, and in order to create conditions for reestablishing economic ties, a decision was adopted on provisional measures for the special regulation of economic activity of monopolist enterprises in the first six months of 1992 in the basic branches of industry.

The document provides for a number of tough measures for regulating their economic activity. These include the compulsory restoration of economic links that have been violated, the introduction of limits on price levels, the suspension of quotas and export licenses, the cessation of state support, and in exceptional circumstances, the carrying out of compulsory reorganization.

Economic Decisions Viewed

LD2702174592 Moscow Programma Radio Odin Network in Russian 1600 GMT 27 Feb 92

[Text] At the Kremlin today, at a session of the Russian Federation Government, a decision was adopted on temporary measures for the special regulation of the economic activities of monopolies in the first half of 1992 in the basic sectors of industry. The document provides for a series of tough measures for regulating the economic activities of state enterprises that abuse their monopoly position. Consideration was also given to the question of the progress made with implementing the decisions of the president and government of Russia on questions of economic reform.

The government adopted a decision to release Aleksandr Yutkin from his post as deputy chairman of the State Committee for the Management of State Property for gross violation of the established procedure for privatizing state property.

Those attending the session agreed with Yegor Gaydar's proposal to abolish all restrictions for savings bank customers with regard to the payment into their accounts of the 40-percent compensation following the April 1991 price rises. Now depositors will be able to use this money as of 30 March rather than having to wait for 1993.

The government session, which was chaired by President Boris Yeltsin, was attended by Vice President Aleksandr Rutskoy and executive leaders of the republics within Russia.

Yeltsin Spokesman Cited

LD2702202792 Moscow TASS International Service in Russian 1735 GMT 27 Feb 92

[By ITAR-TASS corrrespondent Gennadiy Talalayev]

[Text] Moscow, 27 Feb (ITAR-TASS)—Russia's President Boris Yeltsin intends to make the proposal to the Congress of People's Deputies that "a period of national reconciliation" be announced for two years, that is to say, to propose to the republics that they stop the "parade of sovereignties" and to jointly try to get out of the problems which Russia has found itself faced with now. The ITAR-TASS correspondent was told this by Aleksey Novikov, the acting press secretary of Russia's president. This idea, Aleksey Novikov said, has met with the support of the leaders of the executive bodies of 15 republics which are part of the Russian Federation and the view was even expressed that this period should be set at five years.

Telling the ITAR-TASS correspondent in detail about this meeting which took place in the Kremlin today, Aleksey Novikov said that questions of establishing more clearly demarcated bilateral ties between executive power in the center and locally were discussed. The problem of defense enterprises, many of which as a result of conversion have found themselves in a catastrophic situation, were also examined: Workers are standing idle in the workshops, orders have dropped by 30 and more percent. Boris Yeltsin expressed the view that there cannot be any universal recipes for conversion and that the fate of each enterprise must be decided individually.

The problem of the survival of agriculture in the conditions of an all-out rise in prices was discussed in detail, the press secretary continued. It was said that for the output of the countryside there exists a certain ceiling of prices which does not exist for agricultural equipment and fertilisers. The participants in the meeting agreed that in this sphere it is necessary to search for solutions.

As far as privatization is concerned, Russia's president stressed that it must not turn into a "collectivization the other way round." It is necessary, Boris Yeltsin said, that this process should proceed exclusively from below,

should be subject to common sense and that the traditions of the peoples be taken into account in this.

After that the topic of Russia's new constitution and of the federal treaty was touched upon. The president reports that early next week the leaders of the republics will receive the final draft of the constitution for examination and mid-March prior to the Congress of People's Deputies they will gather in Moscow to discuss it. Boris Yeltsin inquired as to what the attitude in the republics is toward the possible signing of a federal treaty so that it would become an integral part of the new constitution. Those present supported this idea.

Meeting Viewed; Gaydar Interviewed

LD2702220792 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1800 GMT 27 Feb 92

[From the "Novosti" newscast]

[Text] The decision in principle to free the prices of bread, milk, and fuel was adopted today by the Russian Government, but a date has not yet been set.

[Begin recording] [Reporter N. Chernysheva] The Russian Government's agenda reflected poorly the true reality of the issues facing it. Therefore, the discussion of the memorandum being sent by Russia to the IMF turned into a debate on the measures on which it is based for a further stiffening in the pursuit of market reforms. The government proposed that immediately after the end of the heating season energy prices be considerably increased, and that oil and coal prices be totally freed. As a result of these measures, it is expected that in April the general level of prices will go up by 50 percent and that by the end of the year inflation will stand at 100-140 percent.

At the present time, there are regulated prices in the country on 12 types of foodstuff and on a number of services. The government is proposing that all prices be unfrozen except for rents, medicine, public transport, and children's catering, so that only 5 percent of the population's monetary expenditure would be on regulated price goods.

Besides these difficult and what Gaydar called unpopular steps, the government is forced to limit the uncontrolled growth of earnings by going as far as to introduce a tax on above-norm increases, not to further subsidize in 1992 the pension and social insurance funds, and not to lower the retirement age. The proposed measures aroused doubts on the part of the leaders of a number of autonomous republics who spoke at the government session. The government decided that all benefits and subsidies must be made locally.

Are you shifting your responsibilities downward? [Video shows reporter interviewing Russian Deputy Prime Minister Yegor Gaydar.]

[Gaydar] No, we are transferring downwards the responsibility that is located below. After all, there are no rights without responsibilities. We have the responsibility for the macroeconomic situation in the country, the balance of payments, the launching of the economic mechanisms, and the stability of the ruble. We are responsible for those things, but it is the local authorities, of course, who are primarily responsible for the development of the market economy in their own areas and for the protection of vulnerable social groups there. [end recording]

Adviser Holds Briefing

LD2702184292 Moscow TASS in English 1630 GMT 27 Feb 92

[By ITAR-TASS correspondent Sergey Podyapolskiy]

[Text] Moscow February 27 TASS—Measures envisaged by the economic reform programme are aimed at fighting inflation and industrial recession and creating normal conditions for the integration of the Russian economy into the world economy. Counsellor of the Russian Government Aleksey Ulyukayev told this [to] a briefing on the results of a meeting of the Russian Government at which the programme of economic reforms and economic policy in 1992 was endorsed.

He said the document envisages the consistent continuation of the course at freeing prices. All retail prices will be freed by the end of the year, except for rent, the cost of communal services and fare in public transport. Approximately by mid-April (by the end of the heating season on the most part of the territory) prices of energy sources—coal and oil—will be freed which will make it possible to cut budgetary expenditures on subsidies.

The government will continue with measures aimed at drawing up a deficit-free budget by the end of the current year, reducing the mass of money in circulation and achieving a positive interest rate with taking into account inflation, Ulyukayev said. Further steps for social protection of the population are also planned.

The programme is oriented at the liberalisation of the foreign economic activity and the abrogation of the system of quotas and licenses. It monetary relations, it is planned to move towards establishing the floating rate of the rouble for current operations and the fixed (somewhat higher) rate for investments.

Ulyukayev said that the full text of the programme will be published next week.

Konstantin Kagalovskiy, plenipotentiary representative of the Russian Government for liason with international financial organisations, said that the programme will shortly be referred to the International Monetary Fund (IMF) to be considered by the board of directors. Kagalovskiy expressed the hope that the document endorsed by the Russian Government will produce a good impression on financiers, and that Russia will soon become a fully-fledged member of the International

Monetary Fund and of the International Bank for Reconstruction and Development.

'Three Key Issues' Viewed

OW2702203892 Moscow INTERFAX in English 1900 GMT 27 Feb 92

[Transmitted via KYODO]

[Text] On Thursday, February 27, the Russian Government sat in Moscow, with President Yeltsin presiding over it. The sitting covered the three key issues, said a a press-conference Aleksey Ulyukayev, the government's economic adviser, and Konstantin Kagalovsky, the Russian Federation's governmental officer for interaction with international financial agencies:

1. The government ruled to crack down on monopoly producers, mainly in the basic industries, including ferrous and non-ferrous and chemical enterprises, said Ulyukayev.

The government plans the following:

—enforcing the restoration of supplies, if discontinued by a monopoly supplier;

—price setting and regulation by the state;

—suspension of the export quota and licensing system for the goods exported from Russia;

—ending state support to monopoly producers through subsidies and soft credits;

—dissolution of contracts with chiefs of monopoly producers;

—splitting up monopoly producers.

2. The government approved a program of economic reforms. According to Kagalovsky, a memo outlining its basic provisions will shortly be send to the International Monetary Fund [IMF] whose support the Russian government hopes to enlist to implement the reforms. Russia hopes to become an IMF member soon.

The Russian economic reforms program falls into three chief blocs:

—liberalization of prices of all commodities, including oil and coal, with the exception of apartment bills, utility rates and mass urban transport fares. Asked by IF [INTERFAX], he said that the prices may be liberalized in mid-April;

—the liberalization of foreign trade activities, first of all the Russian export quota and licensing system, the introduction of a floating ruble exchange rate for current operations and a fixed rate for foreign investments. The government will take major efforts to balance the budget.

3. The government also discussed how the president's and the government's decisions on the economic reform are complied with. "A recent examination revealed that the decisions of top executive bodies are rendered toothless or even torpedoed," said Ulyukayev. Abusive practices were revealed in privatization and the organization of independent farming; managers at various levels abused power and most of them had to be fired.

Financial Official Cited

LD2802113392 Moscow TASS International Service in Russian 1557 GMT 27 Feb 92

[By ITAR-TASS correspondent Sergey Podyapolskiy]

[Text] Moscow, 27 Feb (TASS)—The hope that the 1992 economic reform program, approved today by the Russian Government, "will make a good impression on the international economic public" and that Russia will become a full member of the IMF and the World Bank in the shortest possible time has been expressed by Konstantin Kagalovskiy, the Russian Government's plenipotentiary for relations with international financial organizations. At a news conference held today after the Russian Government session, which approved the program for economic reform and economic policy for this year, Konstantin Kagalovskiy said that the program will be sent in the next few days to the IMF, where it will be examined by its council of directors.

Konstantin Kagalovskiy commented that the Russian Government intends to stimulate production growth principally by reducing the inflation rate. He said that the government program envisages a reduction in the inflation rate to one to three percent in the fourth quarter of this year. In order to reach this indicator, it is very important now to solve the problem of the budget deficit and to carry out privatization as quickly as possible. "I see no other ways of stimulating production in the conditions of a crisis-stricken economy," Konstantin Kagalovskiy stressed.

The experience of stabilization programs in other countries has shown that all programs implemented successfully have been carried out with active financial support from outside, the government representative commented. "Preliminary estimates show that a stabilization fund of 6 billion dollars is necessary for our policy to succeed," he said.

Yeltsin Signs Decree on Vice President's Duties

OW2702165692 Moscow INTERFAX in English 1351 GMT 27 Feb 92

[Transmitted via KYODO]

[Text] Russian President Boris Yeltsin has signed a decree on the duties and powers of Vice-President Aleksandr Rutskoy.

Rutskoy will have to coordinate work on the implementation of the agrarian reform, the reorganization and modernization of agriculture and the procurement of foreign investments and credits for it.

The Vice-President is also being put in charge of the conversion of some military enterprises to the manufacture of farming machinery, the organization of the export of weapons and other military materiel, the sales of movables and real belonging to some of the forces being withdrawn from foreign territory and finding employment in agriculture for servicemen dismissed as the armed forces are being reduced.

Rutskoy can advise the President to suspend decisions made by executive power bodies which contradict Russian legislation.

Rutskoy will also be able to supervise the formation of a center and foundation for the agrarian reform and set up expert groups to work on programs listed in the decree.

Yeltsin also decree charges the Vice-President with the supervision of the implementation of his instructions.

Yeltsin To 'Personally Direct' Ministries

PM2702154692 Moscow ROSSIYSKAYA GAZETA in Russian 28 Feb 92 First Edition p 1

[Decree of the Russian Federation President "On the Ministries of the Russian Federation," dated 25 February, The Kremlin, Moscow and signed by Russian Federation President B. Yeltsin]

[Text] In order to ensure the swifter solution of questions arising in the course of the implementation of the economic reform and prevent duplication in the work of organs of state management it is stipulated:

1. That the Russian Federation president should personally direct [napravlyayet] the activities of the Russian Federation Ministry of Security, Russian Federation Ministry of Internal Affairs, Russian Federation Ministry of Foreign Affairs, and Russian Federation Ministry of Justice.

The appointment and dismissal of the ministers of the aforementioned ministries will be by decree and of their deputies by order of the Russian Federation president.

2. Day-to-day leadership [operativnoye rukovodstvo] of the activities of the Russian Federation Ministry of Foreign Affairs will be the job of G.E. Burbulis, first deputy chairman of the Russian Federation government, while S.M. Shakhray, deputy chairman of the Russian Federation government, will be similarly responsible for the Russian Federation Ministry of Security and Ministry of Internal Affairs.

Decree Bans Free Trade in Strategic Goods

OW2702204292 Moscow INTERFAX in English 1900 GMT 27 Feb 92

[Transmitted via KYODO]

[Text] President Yeltsin's decree bans free trade in strategic commodities, including:

—precious and rare-earth metals and products,
—precious stones and products,
—defense materials and equipment (weapons, ammunition, military equipment, spare parts, components, instruments, explosives, explosive devices, etc.),
—missile complex and military communications and control systems and technological documentation for their production and use,
—military poisonous agents, protection instruments, and technological documentation for their production and use;
—uranium, other fissionable materials and products,
—X-ray equipment and instruments using radioactive substances and isotopes,
—military R&D,
—encoding and decoding equipment and technological documentation for its production and use;
—poisons, narcotic substances, ethyl alcohol and radioactive waste;
—wastes of explosive substances and wastes containing precious and rare-earth metals and precious stones,
—medicines, excluding medicinal herbs.

The decree is effective since February 22.

Decree on Measures 'To Normalize' Fuel Sector

PM2802162392 Moscow ROSSIYSKAYA GAZETA in Russian 25 Feb 92 First Edition p 3

["Russian Federation Government Resolution No. 93 of 17 February 1922 [as published], Moscow, 'On Urgent Measures To Normalize the Situation in the Republic's Oil and Gas Industry'"]

[Text] Regarding the oil and gas industry as being of great importance to the economy of the Russian Federation and to the provision of the national economy's requirements for fuel and energy resources, the government of the Russian Federation resolves:

1. To permit associations, enterprises, and organizations of the oil-and gas-extraction and the petroleum-refining and gas-processing industries to sell at free prices 40 percent of the entire volume of the oil, gas, and products of their refinement being supplied, on condition of the completion of deliveries for the republic's state needs.

To grant the Russian Federation Ministry of Economics and Finance together with the Russian Federation Ministry of Fuel and Power the right to change as necessary the said level of sales at free prices of oil, gas, and the products of their refinement.

2. To permit the "Termneft," "Nefteotdacha," and "Tyumenneftegas" Science and Production Associations and the "Sakhalinmorneftegas" Production Association to sell the entire volume of their petroleum extraction at free prices with the purpose of stimulating the application of new methods of increasing the yield of the petroleum-bearing strata.

To grant geological prospecting organizations the right to sell at free prices the petroleum which they themselves extract.

3. That, in proportion to the receipt of resources by the Russian Federation's Republic Currency Reserve, the Russian Federation's Currency and Economic Council clear those debts to associations, enterprises, and organizations of the oil- and gas-extraction and petroleum-refining and gas-processing industries which have formed for deliveries of petroleum and petroleum products in 1991 in excess of export targets and contractual commitments.

4. That the Russian Federation Ministry of Economics and Finance and the Committee for Foreign Economic Relations under the Russian Federation Ministry of Foreign Affairs, together with the Russian Federation Ministry of Fuel and Power, file at the Russian Federation Currency and Economic Council within the space of one week proposals for using foreign credits for the urgent purchase by import of production and technical equipment and materials, as well as food products for the regions on whose territory the extraction and processing of petroleum and gas is being carried out, for associations, enterprises, and organizations of the oil- and gas-extraction and the petroleum-refining and gas-processing industries.

To permit the Russian Federation Ministry of Fuel and Power with the participation of the Committee for Foreign Economic Relations under the Russian Federation Ministry of Foreign Affairs and the Russian Federation Foreign Trade Bank to conduct, in the name of the Russian Federation Government, negotiations to attract targeted foreign credits for the said purposes and to conclude the appropriate credit agreements in accordance with the established procedure.

5. That the Russian Federation Ministry of Fuel and Power and the Russian Federation Ministry of Ecology and Natural Resources devise within a three-month period a program for commissioning new oil and gas fields for the period 1992-2000, having stipulated in it those measures which are necessary to stimulate the accelerated commissioning of these fields, and envisaging that this program will be implemented with the involvement, on principles of shared participation, of oil- and gas-extraction and geological prospecting enterprises and enterprises of related sectors, including those from the member states of the CIS, foreign investors, and also the administrations of the relevant oil- and gas-extracting regions.

That prior to the adoption of the said program, the Russian Federation Ministry of Ecology and Natural Resources and the Russian Federation Ministry of Fuel and Power effect the transfer of petroleum and gas despoits for exploitation jointly with the organs of executive power of the republics within the Russian Federation, and of the krays, oblasts, and autonomous formations.

[Signed] B. Yeltsin

Khasbulatov on Yeltsin's Prime Minister Duties

LD2602135992 Moscow TASS International Service in Russian 1045 GMT 26 Feb 92

[Text] Moscow, 26 Feb (ITAR-TASS)—The errors of the current Russian Government in the implementation of economic reform "may be explained by the absence of a precise program for transition to the market," said Russian Supreme Soviet Chairman Ruslan Khasbulatov. In an interview published in TRUD today he expressed sharp disagreement with the government's appraisal of the current situation in the economy. In effect he called on Boris Yeltsin to change the composition of the cabinet and to divest himself of his duties as prime minister.

According to Khasbulatov, in implementing the reform the government has gone down the road of setting up regulating mechanisms presupposing the presence of a market that is already in operation. However, there is no market infrastructure in the country yet. The government "does not, it seems, have any idea about the regulating levers that would guarantee growth in the consumer sector," he considers. The refusal to regulate production by the government sphere, in Khasbulatov's opinion, has led more or less to the complete ungovernablity of the economy. He called the elimination of all of the existing administrative structures, ministries, and Gosplan a tragic mistake. In his opinion this should have been done in an orderly fashion and gradually, since otherwise "a strange symbiosis is achieved: An attempt to combine the monetarist ideas (the Chicago School), well-known in economics, with ideas from the programs of Ryzhkov and Pavlov."

"It is simply hypocritical to pretend things are fine when they are not," said Khasbulatov, criticizing the excessive optimism of cabinet members in their assessment of the reforms. There is hyperinflation in the country. Since October last year prices have multiplied by a factor of 16, but "there is no market," he said. The head of the Russian parliament expressed the view that Deputy Prime Minister Yegor Gaydar is not sufficiently aware of the real situation, having surrounded himself "with not the best specialists."

The Congress of People's Deputies of Russia set for April, in Khasbulatov's view, should revoke its decision on vesting the president with special powers whereby he personally appoints the government. The Supreme Soviet chairman warned that "the congress could voice no confidence in the whole government, but there could be even tougher alternatives." Therefore, it would be far more effective if, even before the congress, the president "could take certain steps and carry out changes within the government," he believes.

Khasbulatov also voiced the belief that in the present situation "it is physically impossible and politically dangerous" for Yeltsin to combine the functions of

president and prime minister. "The government team is holding ground mainly on the basis of Yeltsin's authority, but it could soon begin to undermine that authority by its mistakes," he stressed.

In spite of such tough criticism of Gaydar's cabinet, Khasbulatov nevertheless maintained that he does not regard this as a policy to "overthrow the government." In his view, under the present circumstances, parliament has had to take on the role of critic.

Further on 'Russia in the New World' Conference

Yeltsin Greets Conference

PM2702161492 Moscow ROSSIYSKAYA GAZETA in Russian 27 Feb 92 First Edition p 1

[Undated greetings message from President B. Yeltsin "To Participants in the 'Transformed Russia in the New World' Scientific and Practical Conference"]

[Text] Russia's rebirth also means a transformed foreign policy. It preserves continuity in everything that was done to overcome confrontation. But it is becoming a qualitatively new policy because the "cold war" has passed into history with the victory of democracy in Russia.

For the first time, our foreign policy is based on an absence of adversaries to Russia, even potential ones. It is no longer isolated from domestic policy; it stands on the firm ground of the real national interests of Russia and the Russians and serves the cause of economic reform.

Transformed Russia as a great power is already making its contribution to the creation of a new world order based on the supremacy of human rights and the law. The recent top-level UN Security Council session is convincing confirmation of this.

I am sure that the conference's work will assist the formation of broad concord among politicians, scientists, and practical experts on ways of guaranteeing Russia's interests in the new world. Not concocted schemes and propagandist effects but practical benefit to the cause—that is the distinctive hallmark of our foreign policy.

I wish the conference success.

[Signed] B. Yeltsin

Kozyrev on 'Main Tasks'

PM2802142792 Moscow TRUD in Russian 28 Feb 92 p 3

["Extracts" from speech by Russian Foreign Minister Andrey Kozyrev at 26 February Moscow conference entitled "Transformed Russia in the New World" organized by the Foreign Ministry: "Becoming a Normal Great Power"]

[Text] A scientific and practical conference on the theme "Transformed Russia in the New World" organized by the Russian Foreign Ministry has been held in Moscow. The conference's title itself reflects the process of the formation of Russian statehood that is taking place now and an awareness of the place that Russia should occupy in the world and what its national interests are. Today we publish extracts from the speech at the conference by Russian Foreign Minister Andrey Kozyrev, in which he set out his view of the main tasks facing the Russian foreign policy department.

We must, without prejudice, define our interests and realistic paths for establishing Russia as a normal great power, A. Kozyrev said.

It is particularly difficult for us to return to "normality." Our country was hostage to messianic ideas before, especially in the 20th century, ideas which eclipsed and replaced our national interests. The communist idea led to expansion and instinctive confrontation with the surrounding world and imposed ideological models on it. For all its internal evolution, the essence of the Stalin and Brezhnev periods was generally the same. The country was in a state of "deep freeze" all that time.

The emergence from it was also accompanied by a kind of messianism, albeit a "positive" one when we "suddenly" discovered general human values for ourselves and began to offer them to everyone, including those who tried to build their lives according to them long ago.

One extreme situation, the "cold war" in which the world was divided into enemies and allies (who were not really allies), was replaced by another when we began to see everyone exclusively in a favorable light. This was a conflict-free, idyllic picture of the world.

The present stage is also linked primarily to our internal development. We have made our choice. Democracy and human rights, not "humane democratic socialism"; a normal market, not the socialist market. Russia is ready for normal, not cautious, partnership, and in the long term for alliance with the whole civilized world and its structures and organizations.

The universality of democratic values does not mean a general standardization or the loss of specific national characteristics. It is not democracy but totalitarianism which leads to the loss of national roots.

We have something to offer as we return to the mainstream of world civilization. We will remain a superpower in the sphere of age-old spiritual culture and human and natural resources. We do not intend straying down a futile "third path" any more and we do not want to merge in with and disappear among our new friends. Partnership and friendship certainly do not mean forgetting our own geopolitical, economic, and other national interests, and we will defend them.

There is now no actual single source of danger to Russia. But does this mean that our security is guaranteed

forever? Surely not. The world at the moment is still far from ideal and will hardly become so in the foreseeable future.

Our Armed Forces must be at the level necessary to safeguard Russia's interests in all areas. Of course, this means the minimum necessary potential. Figuratively speaking, we need a parity of security instead of a parity of opposition.

In our search for minimum sufficiency we agreed with the military on a quantity of 2,000-2,500 nuclear warheads. The Americans, as is well known, see the minimum as 4,000-4,500. It is necessary to examine without prejudice the reason for this discrepancy. After all, it is clear that the level of sufficiency is not just a question of mathematics.

Furthermore, the concept of security has irrevocably lost its purely traditional military-political sense and today embraces all the most important spheres of daily activity: the economy, ecology, and demographic, interethnic, and religious-ethnic problems.

The formation of the CIS occupies a special place in Russia's foreign policy. Here you will find our vital interest and the fundamental questions of the organization of Russia in the civilized world.

The first months of the CIS should convince any sensible person that demands for rigid centralization and even the forcible restoration of the USSR are counterproductive. They produce a single reaction of rejection and are already threatening to destroy the CIS. Furthermore, the appeals of the national patriots for the restoration of the empire inspire Russophobia in other CIS states. This is the most terrible thing that anyone could do for the Russians living there.

The Russian leadership has taken the most complex but only realistic path of patient and persistent talks. Their aim is to understand one another's concerns and interests. We are striving for and will achieve coordination of joint work wherever our partners are ready for this.

Our interests in the CIS are a single army, an integrated economy, a unique cultural space, and a common Russian language. The fate of millions of people ultimately depend on all these things.

Russia will defend its interests firmly, sternly when necessary, using all our potential for this. Exclusively on the basis of the rule of law, of course.

We have no right to forget that the CIS unites peoples who for many centuries have been the Russians' brothers and sisters. Arrogance and malice make poor counselors. In particular there is no room for them in politics within the CIS framework. Attempts to share our brothers' and sisters' land is a sure-fire way to ensure that only way Russians can set foot on that soil is through fratricidal wars.

The future of the army and its new shape [oblik] are among the most complex questions. The army cannot be divided up overnight, and there is hardly any need to do so. At the same time, everything cannot be left as it was because there is no unified state any more. The fact that military questions are unresolved creates the danger of embroiling the army against its will in political disputes.

We pay special attention to human rights and the rights of Russians, especially in the CIS countries.

A year ago, Russian democracy protected the Baltic against the attempts of the party nomenklatura centrally and locally to restore the old ways on the pretext of protecting the rights of the Russian-speaking population. But today we will defend the Russopohone population's rights equally firmly wherever they may be infringed, including in the Baltic region. People are not concerned about the precise kind of lawlessness—CPSU c nationalist—under which they are suffering.

Of course, the fate of the CIS is largely decided not only in Europe but also in the south of the Commonwealth. The development path that the countries located there take, and who influences that development and how, are not a matter of indifference to Russia. We are taking this into account in the practical work of strengthening constructive cooperation in the Turkish and other areas.

I shall mention the Islamic factor in the broader context. For us this is not something alien, some kind of political bugbear. Millions of Muslims live in Russia and other CIS states. Their interests are an integral part of Russia's national interests.

In his speech A. Kozyrev particularly stressed the need to make diplomacy more pragmatic and "economic," trying to make Russia compatible with the world economy.

More on Khasbulatov, Kozyrev's Speeches

PM2702153992 Moscow ROSSIYSKAYA GAZETA in Russian 27 Feb 92 First Edition p 1

[Vitaliy Buzuyev report under the "Russia and the World" rubric: "We Have Something With Which To Return to the Mainstream of World Civilization"]

[Text] A scientific and practical conference entitled "Transformed Russia in the New World" opened yesterday at the Moscow State Institute of International Relations. R. Khasbulatov, chairman of the Russian Federation Supreme Soviet, delivered an introductory address to its participants. He noted that it is impossible to make an emerging state's foreign policy without a close inspection of past experience. One of its principles must be the rejection of confrontation. But, of course, the most important thing is to draw up a maximally realistic, pragmatic foreign policy. On no account must we now get carried away by the fine ideas that latter-day regicides are continuing to try to put "on the table" o

politicians. Cold calculation and the ability to look at oneself objectively are needed.

As regards foreign policy priorities, in Khasbulatov's opinion the main one is an orientation toward countries which are located along Russia's perimeter, belong to the CIS, and also adjoin our borders. Khasbulatov also said that Z. Brzezinski's idea, according to which Russia should not get involved in interethnic conflicts, is one very close to his heart. It is impossible to resolve them in the short historical term. The "Karabakh knot" is proof of this. Soviet leaders tried to cut it with one blow—without success. Of the chief threats to Russia, Khasbulatov mentioned the persisting danger of the dissipation of nuclear weapons.

In the opinion of the next speaker, Russian Foreign Minister A. Kozyrev, foreign policy cannot be confined either to observing from the sidelines or periodical ("when the opportunity arises") lobbying for Russia's economic interests. The task is different. Consistent "economizing" in our diplomacy is needed. Russia's interest is "to be healthy and rich." It is a Herculean task for the soul of a traveler journeying today from Petersburg to Moscow not to be wounded, like the soul of Radishchev's hero, by contemplating poverty and filth. It is necessary to decisively end the situation Klyuchevskiy described: The state grows fat, the people waste away.

We have something with which to return to the mainstream of world civilization, the minister is convinced. We will remain a superpower in the spheres of age-old spiritual culture and human and natural resources. We no longer intend to stray into the wilderness of the "third way," but neither do we want to dissolve among our new friends. Partnership and friendship by no means presuppose oblivion for our own geopolitical, economic, and other national interests, and we will defend them.

Dwelling on the problem of cadres in Russia's foreign policy department, Kozyrev noted that both the president and the new democratic forces in the Foreign Ministry have seen the danger of "apparatus revenge," whereby staffers in the old Union department not only did not lose their positions but were also ready to consolidate themselves around them for many years to come yet. But this, the foreign minister reassured conference participants, will not happen. The day before yesterday the Russian president signed a Decree on the Diplomatic Service, which should dot all the i's and cross all the t's.

Before work began in sections, Kozyrev read out greetings to the participants in the scientific and practical conference.

Gaydar Interviewed on Economic Reform, Policies

924C0659A Moscow LITERATURNAYA GAZETA in Russian No 8, 19 Feb 92 pp 1, 3

[Interview with Yegor Gaydar, deputy prime minister of the Russian Government, by LITERATURNAYA GAZETA observer Oleg Moroz; place and date not given: "Yegor Gaydar: 'The Stakes in This Game Are Too High'"]

[Text] [Moroz] Yegor Timurovich, more than a month and a half have passed since the beginning of the economic reform. What main conclusion can be drawn from its initial period?

[Gaydar] The main economic conclusion is that the Union ruble is not hopeless, that it can be saved. But a more important conclusion is political: that our society has turned out to be much more intelligent, to have much more common sense and understanding, than many people usually imagined. And, finally, perhaps we have a right to draw a third conclusion: The distance between the intelligentsia and the people, which was unthinkably immense during the revolution and immediately thereafter and which led to a tragic bloody mess, has now decreased a very great deal. The intelligentsia—afraid as ever of the people, considering them ignorant, stupid, dim-witted, incapable of understanding anything, and therefore somewhat hysterical—is encountering a people who have advanced a great deal anyway, who have become aware of and understand a very great deal.

[Moroz] A fairly unexpected conclusion. Do you think there is justification for such broad generalizations.

[Gaydar] I think there is.

[Moroz] When beginning the economic reform you, of course, anticipated that a rapid fire of criticism from opponents of this reform would come down upon you. But it is one thing to anticipate it and another to experience it in reality. For the resistance is not limited to criticism of your various actions—they are trying to insult you, wound you, degrade you, and drive you out of your mind. Rutskoy called you and your colleagues in the government "school boys in pink trousers," and Khasbulatov called you an absolutely incompetent and completely ineffective government. At rallies you can see placards that say: "The people have been Yegor-ed; the people have been Gaydar-ed." Was such a "crude" form of criticism something unexpected for you? Does it offend you? Can you take it? In general, do you feel you have enough strength and endurance not to give in to such unbridled resistance? Do you resort to any systems of psychological exercise in order to increase your psychological conditioning?

[Gaydar] I feel I have quite enough strength without any psychological conditioning. Does all this offend me? Perhaps when I finish my work in the post of deputy prime minister and look back at what they have said and written about me it will be painful and unpleasant. But now the burden of the immense responsibility and the very rigid framework determined by my current business make it impossible for me to notice all that or to attach any special significance to it. It is as though the psychological conditioning takes place of its own accord. I recall that when I was not responsible for anything like this,

much less significant things could get me down and cause me to make some immediate response. But now I understand too well the scope of the game, that it is not a matter of personalities but of interests, and therefore all this "criticism" glances off my consciousness, on its periphery.

[Moroz] Speaking recently at a meeting next to the White House Vasiliy Selyudin said that the present Russian Government is the first qualified government he can remember. He probably wanted to help you as best he could, but the effect, I think, was the opposite—now it is as though they do not forgive you and will never forgive you. Incidentally, do you agree with Selyudin's appraisal?

[Gaydar] I do not think that is precisely right. It seems to me that the Kosygin government, for example, was a qualified government. For the situation in which it was operating. Even Stalin's governments were qualified for the corresponding situations. The Ryzhkov government was also qualified in a certain sense. But at the same time all governments of the transition period, beginning with 1985, were strikingly unqualified simply because they were faced with tasks they were incapable of performing. Different qualifications are needed here. And our advantage is not that we are qualified. We are extremely unqualified in many things, things which are very important for governing the state, if only in the technology of government itself. We are simply qualified in our understanding of the basic economic dependencies, the logic of what is taking place, our view of the critical points, and our ability to predict and make decisions not under the influence of purely superficial factors but with an orientation toward the essence of things.

[Moroz] You are very magnanimous to your predecessors. What about the governments of Pavlov and Silayev?

[Gaydar] It is my profound conviction that they came to the government at a time when it was in general practically impossible to do anything with the economy. There was a paralysis of economic power: The Union Government did not yet have control over the majority of the country's economy and it was absolutely incapable of conducting any meaningful policy. As for the republic governments, including Russia, they essentially did not have the administrative apparatus, they did not control the macro-economy, they could not answer for anything, and they were not in a position to conduct a meaningful policy either.

[Moroz] Who and what impedes your conduct of the reforms most? Whose support is most valuable to you? Do you feel support from Yeltsin? Do you not have the sense that one fine day he will take his support away from you—and not because of principle but out of purely political, tactical considerations?

[Gaydar] So far, the president's support is the most valuable to us and to me personally. Without his support we simply could not do anything—that must be kept clearly in mind. And I do not understand why we cannot give people the benefit of the doubt: The president has shown his ability to make decisions that are politically very risky and to take personal responsibility for them rather than immediately placing it on his subordinates. I do not see why we have to proceed from the hypothesis that the president's behavior will lack integrity.

[Moroz] It is not a matter of integrity or a lack thereof. A chess player will sacrifice a piece if he sees that it is difficult to defend, that it is becoming a burden and worsening his overall position...

[Gaydar] Well, that is another matter. As you understand, the main thing for us is the success of the reform and the maintenance of political stability and democratic institutions. Everything else is transitory.

[Moroz] What do you think: Why did Yeltsin decide to include precisely your team in the government and not, say, Yavlinskiy's or Saburov's team? Does this not betray some kind of design, similar to the design of a trainer in a relay race: In the first stage this one will win, in the second stage that one, and in the third stage another?... Or is it not like that: Do you not have the sense that they will use your bones to build a bridge across the swamp so that others can cross?

[Gaydar] Experience shows that indeed different problems are solved in different stages of transformation and stabilization. Frequently they are solved by different governments. I do not see anything wrong with that. Now our government firmly intends to work, and work persistently, with an eye to the future. But that does not mean that we intend to sit here forever and die in office like members of the Politburo. As tasks change, a different government and different people will be needed.

Why the choice fell to us in particular—that is a difficult question. I think that was a time (October-November of last year) when nobody especially wanted to take on this burden: It was obvious to everyone that very unpleasant decisions would have to be made.

[Moroz] Recently Supreme Soviet Chairman Khasbulatov has started to address economic questions more and more frequently. In addition to other things, perhaps, this is because he is an economist by profession. How do you regard him as a professional economist?

[Gaydar] I would prefer to avoid that question. Because if I say I value him highly people will think I am trying to curry favor with the Supreme Soviet. If I say I rate him poorly it will be insulting and disrespectful to the head of the highest legislative power. I can only say that Khasbulatov's articles at the beginning of perestroyka were undoubtedly progressive and were in line with the earmarked reforms.

[Moroz] Recently Khasbulatov convened a council of academicians and corresponding members to discuss the

course of the economic reform. How do you regard the conclusions and recommendations issued by this council?

[Gaydar] Much of what was said there is absolutely correct. But here is a strange thing. We have worked side by side with many of these people for many years. Many of them are our teachers. We have professional mutual understanding with them. But apparently the specific nature of power is such that when you are in power everyone for some reason begins to consider you a complete idiot and explains to you elementary things which they would never have thought to explain at times when you were not in power. In general it is difficult to disagree with them if you just keep the real situation in mind. For example, Nikolay Yakovlevich Petrakov explains to us that prices cannot be frozen without accumulating reserves. I want to ask him: How was it possible in the real situation in December, in the first place, not to freeze prices (they froze themselves) and, in the second place, to accumulate any reserves? How was it possible to do that in reality? Who should be hung and who should be shot? Who should be encouraged?

[Moroz] Volkogonov called you the "government of junior scientific associates." Do you feel respectfully shy in the presence of academicians and corresponding members such as Abalkin, Sitaryan, and that same Khasbulatov?

[Gaydar] Then someone corrected him: They said that those in power now are a "government of senior scientific associates." To be precise, we are a government of directors of institutes and deputy directors, and laboratory chiefs. Of course, we have no fear of academicians. As you know, in serious science there are no ranks.

[Moroz] How do you feel about the creation of the "shadow cabinet"? And the most recent round of psychological warfare against your cabinet?

[Gaydar] We are very calm. There are many "shadow cabinets" nowadays. Only lazy people fail to create them.

[Moroz] Do you feel any pressure from the "patriots" and anti-Semites?

[Gaydar] We are not experiencing any pressure but, of course, we do feel a deep hatred for them.

[S. Kolesnikov—(aide to the deputy prime minister)] I do get calls. With threats. [interruption as published]

[Moroz] You have not answered one of my previous questions: What bothers you most of all?

[Gaydar] What bothers me? Corruption in the administrative apparatus.

[Moroz] At all levels? Including the government level?

[Gaydar] No, fortunately, I have no doubts about the behavior of the government. But the government is merely the surface level. And the lower levels are demoralized. There are, of course, honest people as well, but too many are demoralized. They have given up all hope and they are cashing in all their chips while they can. Any strong state needs a good administrative apparatus. And our apparatus is sick. Powerlessness of the bureaucracy inevitably ends in complete collapse of the organization of the work of the state. So demoralization of the power apparatus at all levels—this is perhaps our most serious problem.

[Moroz] It is possible to view it somewhat differently. The authorities are now showing a great deal of powerlessness in the face of out-and-out sabotage. Yet with this kind of powerlessness no reforms can be conducted, and everything will get out of control. Is anything being suggested to change this?

[Gaydar] I would not agree that the authorities are showing complete powerlessness. If that were the case, there really would be nothing we could do. But in the month and a half that has passed since the beginning of the reform we have managed to do a good deal, and in key areas. Which means that it is possible to take action against sabotage. But I absolutely agree with you that the center of gravity must now be shifted to providing for elementary order and elementary discipline in the power apparatus.

[Moroz] What is the model for the reform now taking place in Russia—the postwar German model, the Japanese, the Polish?... Or is it, as always, unique?

[Gaydar] In a certain sense it is unique. There has never been a reform accompanied by the division of one country into 15 countries, the clarification of complex relations among these countries, responsibility for common debts... Never has the most complicated and difficult reform been conducted in the face of an immense nuclear potential and the need to solve the most difficult problems of international security. At the same time a great deal in our reform is absolutely standard and corresponds to the usual stabilization programs. The common patterns are close to what was carried out in Germany at one time and to what is being done in Poland and Bulgaria...

[Moroz] What kind of geographic map do you have before you when you work on the reform—a map of Russia or the CIS?

[Gaydar] A map of the CIS. Unfortunately, the problem of relations within the framework of the CIS is of critical importance to us now. Russia's relations with the other members of the CIS today bother me incomparably more than its relations with the rest of the world. The collapse of the CIS could be the land mine that would destroy all of our transformations.

[Moroz] Nobody can understand your indecisiveness and the spinning of your wheels on the threshold of privatization. The feeling is that there is some kind of invisible barrier in front of the people and nobody dares

to cross it. At first there are exuberant announcements: "This is it, we are beginning privatization! Something will happen in two weeks." In Moscow we have heard announcements like this from Popov and from Piyasheva, and the new minister Buravlev. But the short period of time passes—and nothing happens.

[Gaydar] We have never said that privatization could be conducted rapidly. This is a difficult and lengthy process. It takes many skilled people to carry it out. And we now have a shortage of these people. The main thing we have tried to do is create interest in privatization. We have adjusted the mechanism for its execution and removed a number of obstacles. We have no more important strategic task than privatization. But still we are not miracle workers. Poland spun its wheels in the matter of privatization for a year. Even though minor privatization was carried out fairly rapidly. And we must not be slow here. But this is a matter for the local authorities. But, of course, we are acting slowly here. However, on the whole privatization is proceeding slowly and with difficulty everywhere. If in two years we have an economy with a powerful, dominant private sector, I will consider this a phenomenal result.

[Moroz] We are hearing from all sides that in general prices cannot be liberalized without privatization, that this would be a gross economic error.

[Gaydar] This is an opinion which exists only in our homeland. It has been created exclusively through the mass media. It contradicts all the canons of economics. What is price liberalization? It is a momentary act of political will. But privatization is a long-term process. Liberalization is tied to an objective fact—to loss of control by the authorities over the distribution of resources (this was precisely our situation at the end of the year). Privatization was absolutely not intended for this. Where, from which book do they get the idea that privatization must go before price liberalization?

[Moroz] It is thought that the taxes you have established discourage production. They say that their main purpose is to overcome the budget deficit. When will they be replaced by incentive taxes?

[Gaydar] In general there is no such a thing as an incentive tax. What we have are taxes that provide the greatest possible incentives. Tax on added value is a tax on the final consumer. As far as the producer goes it is neutral. Of course, it creates problems for him when people do not buy his product because it was produced at a high cost. But this is not a problem of incentives for the producer: If the tax were lower we would be encouraging him to produce with higher expenditures. What really discourages him is an excessively high tax on entrepreneurial and intermediary activity. This, of course, is a remnant from the past, it is from the era of the deficit economy. And we must send a request to parliament to reduce it to the normal level.

[Moroz] You have raised miners' wages to 6,000 rubles [R]. After that the former president of the Union, who has a pension, as we know, of 4,000, should feel poor and unfortunate. And I am not even talking about people whose wages or pensions are R342 and less. A new round of competition of wages and prices, a new round of inflation, is beginning. Is it really necessary to increase wages with such large leaps?

[Gaydar] The negotiations with the miners began against the background of a general hysterical wail about the unheard-of, unthinkable, 20-fold increase in prices (in reality they increased on average 3.5-fold). The government was in an extremely vulnerable position. And I am certainly not happy about the decisions reached by the conciliation board. But the miners' initial demand was a six-fold increase in wages and only after that did they agree to reduce it. But even a three-fold increase is, of course, a strong inflation factor, which brings about further price increases. I hope that in the future the miners will have sufficient wisdom, for if the sharp increase in wages continues, it will lead to a decline the ability of our coal to compete, a drop in demand for it, and mass unemployment among the miners.

[Moroz] Will the adjustments to the reform—both those that have been made and those that are planned—lead to a situation in which it will be nullified, as is always the case with our various radical caprices?

[Gaydar] The adjustments are mainly cosmetic. I do not think it would be possible to nullify the reform any more. Once the market mechanism has been put into operation, it is very difficult and, it seems to me, impossible to return to a system of distribution and directive prices. That the reform might be unproductive is another matter. It is possible to rock the financial boat for a long time and keep our country's economy highly inflated all the time, to make it the kind where entrepreneurial activity is weak, where foreign capital will not invest, but to return everything to the way it was, I think, is practically impossible.

[Moroz] Recently we met with members of the Constitutional Court and I got the feeling that they intend to override your decision to reduce the added value tax on a number of food products, which would entail a significant increase in the expenditure part of the budget.

[Gaydar] Well, I cannot conceal the fact that this was not my decision. I respect the Constitutional Court. It has shown that it is capable of upholding the law, including at times when it is violated by the executive power. From a purely economic standpoint I do not think that the decision to reduce the tax was so terrible, although any intervention in a tax system that has just been constructed is extremely undesirable.

[Moroz] Certain republics are already taking extremely extravagant steps in the area of the economy. In your view, is the love affair between Kravchuk and the ayatollahs justified? I have in mind the plans for the construction of the Iran-Ukraine pipeline.

[Gaydar] We heartily welcome any decisions directed toward strengthening the economic sovereignty of any of the CIS countries. If anyone thinks that Russia will suffer a great deal from the reduction of oil exports to Ukraine, I think we will withstand the blow, especially in view of the current prices of these deliveries.

[Moroz] Who, in your view, should be given priority in foreign economic relations outside the CIS? We hear rather frequently that the only one from whom we can receive appreciable aid is Japan, which is not experiencing a recession right now (as we know, there is a recession in the United States and in Europe). But the problem of the islands stands in the way of this aid. How do you view this situation?

[Gaydar] Simply objectively, Japan is the largest exporter of financial resources for the whole world—that is the way its macro-economy is structured. The second largest supplier has traditionally been the FRG, but now its resources have been drawn into restructuring the former GDR. All other exporters of capital—Switzerland, Saudi Arabia—of course, cannot compare. Therefore, from the standpoint of the financial market, we are highly interested in the development of relations with Japan. The fact that the problem of the "Northern Territories" is an obstacle on this path is much to be regretted.

[Moroz] Some people say that our last desperate step to salvation might be to return the islands to Japan in exchange for some gigantic amount, like $200 billion.

[Gaydar] In the first place, I have never heard of such proposals from the Japanese, and, in the second place, I have never heard of such ideas being seriously discussed among the Russian leaders. As for the $200 billion figure... Such sums simply "do not exist." If some person says that he will lend you R1,000 you might talk to him, but if he says he is willing to give you $2 billion, you will probably start thinking of an institution where you could send him.

[Moroz] What about the newspapers? Have you decided to put an end to them? I have in mind the latest crushing blow—raising the price of paper to 20,000 per ton. As a member of a democratic government which the press helped put into power, do you not feel some kind of debt to it?

[Gaydar] I do not feel indebted to the press in the political sense: Since they brought us to power, the press should be the first to receive handouts from the budget. We have heard similar reproaches, for example, from scholars: After all, we are to a certain degree a government of professional scholars. On the contrary, the logic of life demands that we be especially strict with those we value most highly. If I were to be stinting with agriculture and at the same time generously increase allocations for science it would be difficult for me to defend such a position, including in parliament. The same thing is true with the press. Of course, we would very much like to support it, and we shall do everything we can. As you know, we have already gone through our paces to keep the price of subscriptions from rising. But we are not in a position to allot many billions in order to solve all the problems of the press and relieve it of concern about surviving under free market conditions. As for the paper producers, we shall take antimonopoly measures against them. But, of course, we will not be able to save the publications. Those that survive will be the ones that can adapt to market conditions.

[Moroz] A couple of questions of a personal nature. Do you not regret that you agreed to go into the government? Do you find this work interesting?

[Gaydar] I do not regret it. The work is interesting. It is interesting to do in reality what you have thought, read, and written about all your life.

[Moroz] You entered political activity for the first time when you became a deputy prime minister. Do you now feel that you are a politician, or not quite?

[Gaydar] No, I still do not feel like a politician. I feel like a person who is simply doing his job. I have no political ambitions.

[Moroz] Nonetheless the post of deputy prime minister is a political post. Are you not hampered in this post by the circumstance that you clearly lack the characteristics of impressiveness, elegance, and dignity which largely determine the success of a state figure in the eyes of the people (just recall the image of Ryzhkov's "noble knight")? How do you try to compensate for this?

[Gaydar] Since, as I have already said, I do not consider myself a political figure, I do not worry about the fact that I lack the characteristics you enumerated. And in general society's reaction to a politician is a well studied sphere, although until recently we have known little about it. The fact that we have now begun to have imposing politicians, politicians who look good, shows that this democratic spirit has made its way to us as well. Tall, elegant, imposing political figures—they are wonderful. I am sincerely happy about those changes. I, for example, could never win any elections. I hope I never try to.

[Moroz] You have already become a subject for parody. They parody, for example, your manner of clicking your tongue while you are speaking (apparently when you are nervous). This shows that you are beginning to be known and have a reputation. How do you feel about that?

[Gaydar] Self-critical. I do indeed click my tongue when I am nervous. But I am calm about public attention and notoriety. They have come to me by heredity. Since childhood I have been pursued by the words: "How can it be—Gaydar's grandson and he writes so poorly!" Or there would be something else I did badly. I have gotten so used to all that that I became a gold medalist. And then I graduated from the university without any B's. So I do not get excited about fame.

[Moroz] Are you flattered by being compared to Balcerowicz, the father of the Polish reform?

[Gaydar] I guess I have never heard that I was compared to him. I have a great deal of respect for Leshek. I think he has done his work. Incidentally, he warned me about many stumbling blocks of reform and a lot of personal unpleasantness related to it. In particular, I remember this sentence: "From that time forward all economics professors will be your enemies."

[Moroz] Do you think that failure of the reform would harm your career?

[Gaydar] Well, what kind of career can I have? A scholarly career? At the end of last year I went on leave and sat down to write a book about the problems and prospects of the post-socialist economy. For what is going on now provides a fairly sharp contrast to the ideas of our liberal intelligentsia, including economists, from, say, the beginning of the eighties. At that time it was clear to everyone that the system had run its course. It also seemed clear that in a certain sense it would be eternal, since ideologically and politically it was insurmountable; but if it were suddenly to disappear at some point, happiness would come immediately. Or it would come very soon. Then the severe economic crisis that engulfed all of Eastern Europe during the transition from socialism to post-socialism was a surprise in a certain sense. Still, if one analyzes the logic of the totalitarian system in detail, its internal interconnections, the set of problems that now have to be solved, one can see that all this was not random, that it reflects certain deep laws. So my "career" aspirations are some day to finish this book. And that is all.

[Moroz] But you will no longer be selected as an academician, even after you finish that book.

[Gaydar] I am afraid you are right. Although as far as I know I am still a friend and the favorite student of Stanislav Sergeyevich Shatalin, academician-secretary of the economics department.

[Moroz] Incidentally, who was your teacher in science? And which economist of the older generation do you esteem most highly?

[Gaydar] My teacher was the person I just mentioned, Stanislav Sergeyevich. But I value many people. For example, Revold Mikhailovich Entov. He is one of the most educated and qualified economists in Russia, although he is not well known to the general public.

[Moroz] Behind you is an immense bare wall with one nail sticking out. Somebody's portrait probably hung there at one time: After all, this is the former Central Committee building.

[Gaydar] It hung there for a long time. It caught the attention of two of my Polish friends, associates of Balcerowicz. They helped me take it down.

[Moroz] So whose portrait was it?

[Gaydar] (After reflection.) Either Mikhail Sergeyevich or Vladimir Ilich. I think it was Vladimir Ilich. I am sure it was not Marx.

[Moroz] Do you like your grandfather's works?

[Gaydar] Yes.

[Moroz] Which is your favorite?

[Gaydar] I like very much *"The Blue Cup"* and *"School."*

[Moroz] In your family for three generations there has been allegiance to the red banner. At 14 your grandfather was shedding the blood of counterrevolutionaries (we have all heard about that since childhood), your father was a sailor and writer and for many years worked in a central organ, and you yourself worked on the magazine KOMMUNIST... Do your family's communist traditions have any kind of influence over you now?

[Gaydar] I do not think so. Communist traditions include, among other things, frenzy and intolerance. And in the third generation it is hard to be frenzied.

[Moroz] And again about politics. A number of signs show that right-wing forces are working hard to prepare for a violent overthrow of the present Russian Government (an example of this is the last rally on Manezhnaya Square). What do you think, is the government organically incapable of taking any measures to ward off this threat and protecting itself and us or will the instinct for self-preservation awaken at any moment?

[Gaydar] I think the government can, should, and must prevent such threats.

[Moroz] Do you think it is suffering from the ailment of liberal spinelessness?

[Gaydar] Well, of course, it has an immense burden of liberal spinelessness. What can I say. This is quite comprehensible in our country, with our history and our traditions. But still I think that experience is teaching us something, including that bleeding-heart liberalism is inappropriate at such a crucial, critical moment.

Rutskoy Interviewed on Current Situation

PM2802111192 Barcelona LA VANGUARDIA in Spanish 22 Feb 92 ("Revista" section) pp 2-3

[Interview with Russian Vice President Aleksandr Rutskoy by Rafael Poch in Moscow on 21 February]

[Excerpt] [passage omitted] [Poch] Aleksandr Vladimirovich, the USSR no longer exists. What will become of the putschists who committed an outrage against a country which no longer exists? Can they be tried?

[Rutskoy] I personally believe that there must be an end to all this. I am not a bloodthirsty or vindictive person: The matter is agitating society, and placards are now appearing on the streets at rallies calling for the release of

the State Committee for the State of Emergency. We should not create precedents which would entail unforeseeable consequences. The judicial procedure must be wound up. Of course, there should be a punishment for those actions, but at the moral level they have already received one—a very severe moral punishment. For that reason I would simply release them. It must be borne in mind that they are elderly people. So I would put an end to this matter.

[Poch] The day before yesterday I was in Kiev with Ukrainian President Leonid Kravchuk. He said that he wants 30 percent of the Black Sea Fleet, and he seemed to me very concerned about the Crimea's secession. Do you support that secession?

[Rutskoy] The Crimea is ancestral Russian land; it was conquered by our ancestors. Let us consider Khrushchev's decrees of 1956 and 1957 (whereby Russia gave the Crimea to Ukraine). Can a party chairman hand over Russian territory to another state? In my opinion, if we are a Commonwealth of Independent States, we should be guided by international law, which provides for the demarcation of borders; but it is a matter not of my opinion but of Russia's history. With respect to the Fleet, I believe that this matter of the division of the Armed Forces will end badly. What guarantee do we have that it will not occur to some political leader to repeat what we have already seen in Yugoslavia? This matter must be taken very seriously.

[Poch] As a Russian military man, do you believe that it would be worthwhile to give your life for the Crimea in the event of a conflict with Ukraine?

[Rutskoy] I do not believe we will reach that point. If it is true that we are building a democratic state, there is the possibility of holding a referendum. Let the Crimea's population decide for themselves.

[Poch] However, Russia signed an agreement on the inviolability of borders with Ukraine. You headed the committee on that agreement: Why is that accord not being observed?

[Rutskoy] True, but if you examine the text, you will see that the inviolability of borders was declared "within the framework of the Union." Since the independent states are setting up their border posts and Russia is trading with them in one direction—sending goods without receiving anything in return—what borders can we speak of? Ukraine and Russia have reached a critical situation in their economic relations. It is impossible to assemble buses, tractors, and harvesters because of a lack of parts; the whole rubber industry is in Ukraine, and for that reason it is now impossible to find a tire. Without a statehood shared by all the states comprising it, the CIS becomes an amorphous association. The agreements mean nothing, and right now I could give you a thousand instances of things that have been signed which are not being observed to the extent of 70 percent.

[Poch] Do you believe that Russia's interests are not being properly upheld?

[Rutskoy] What is happening is that we are breaking up Russia, and this can in no event be tolerated. Russia's former autonomous entities have declared their sovereignty and are even acquiring the status of states. The course of our domestic policy must be changed. If Russia is a federation, why must Yakutia have an economy minister, Bashkiria a finance minister, and Tataria an industry minister? What the autonomous entities should have is representation, because today nobody represents them. I believe that a council of the federation should be set up under the Russian president.

[Poch] You are always saying that Russia should be a unitary state.

[Rutskoy] Yes. Russia has a thousand-year-long history, but has any state existed in Moldova or in Bashkiria? No. If we carry on like this, we will end up forming states like those in South Africa... I believe that all nations should see their economy, policy, culture, and traditions fully acknowledged and defined. Everybody should recognize themselves in the category of "citizens of Russia." What does it matter whether you are Russian, Bashkir, Tatar, or Jew?

[Poch] You are accused of Russian chauvinism.

[Rutskoy] When Russians bring up their nationality, they are immediately accused of chauvinism. Does being Russian mean being a chauvinist? So why must we wash our hands of the fate of the 25 million Russians living outside Russia? I respect all peoples, but I also say that the idea of Russia is in a sorry state, and in saying this I find myself obliged to explain that Rutskoy and Pamyat (an extreme right-wing Russian nationalist and anti-Semitic organization) are different things. Neither in the Caucasus nor in the Baltics must Russians be allowed to become second-class citizens. There is no precedent in history of a generation thanking the previous generation for breaking up a country; that is why I believe that the course of domestic policy must be changed.

[Poch] The Nagorno-Karabakh conflict is becoming increasingly bloody.

[Rutskoy] When it comes to tackling problems, indecision is always more detrimental than determination and firmness. If vigorous steps had been taken in Karabakh at the outset, the dead would have numbered dozens, not thousands. We now have 45 fatalities a week. I believe that a time will come when the people will settle scores with the national careerists. Witness the example of Georgia.

[Poch] You know the mood in the Army. What is your opinion of the conduct of Marshal Yevgeniy Shaposhnikov (CIS defense minister)?

[Rutskoy] I have known him for some time, because he used to be my commander. He is now being compared

with Yazov (USSR defense minister, one of the imprisoned putschists). Although Yazov used to be presented as a fool, he was an educated man who read a great deal, wrote poems, and recited Shakespeare from memory. Shaposhnikov is more communicative, simpler, and more good-natured. His policy to keep the Armed Forces united is correct, because what would we have to do otherwise? Fight against Ukraine? That is stupid.

[Poch] The need to reach a consensus among Russian politicians is clear. Now they have given you a job—they have placed you in charge of agricultural reform. Do you not believe that the time has come to make a reasonable peace with State Secretary Gennadiy Burbulis and with Deputy Premier for Economics Yegor Gaydar?

[Rutskoy] Yeltsin and I were elected by the people. Neither of us promised the voters that half of them would become paupers at the beginning of 1992. The sooner we reach agreement, the better. Now Yeltsin has told me: "Come and work; you are young and vigorous, so run 48 hours a day!" We will soon have new decisions by Yeltsin which will impart a change toward a more constructive line of reform. People are weary; they believe that they have been deceived again, after 74 years of promises of a happy future. I have a normal relationship with Gaydar. Although I criticize him, we meet and joke; he is a civilized person. At yesterday's meeting of the government he put forward a very constructive proposal for guaranteeing supplies and monitoring the implementation of the agreements signed. With respect to Burbulis, I have tried a dozen times to establish close contact. I believe that there should be a redistribution of powers and duties in order to ensure that everybody is responsible for what he does. There are many honest people in the government: The thing is that there was no reform plan; just spontaneous measures which have placed 70 percent of the population on the verge of poverty and created conditions for a social explosion. You cannot trifle with this. We want a reform which will be understandable to everybody, and I believe that corrections will be made.

Khasbulatov Interviewed on Economic Crisis

PM2702162492 Paris LE FIGARO in French 26 Feb 92 p 4

[Interview with Ruslan Khasbulatov, chairman of the Russian Supreme Soviet, by Laure Mandeville in Strasbourg; date not given]

[Text] [Mandeville] What role do you envisage for the Russian Parliament? You have said that you did not intend to sit idly by and wait for a social explosion....

[Khasbulatov] The Russian Parliament must shoulder all its responsibilities in this period of upheavals. When we see that the reality of the reform differs from the expected results, we must take an energetic approach and demand corrective action. That is what parliamentary life means. It is the backbone of any democracy.

[Mandeville] Is the confrontation among reformers not dangerous when the situation is so unstable?

[Khasbulatov] Scarcely had we started to criticize the government than people began to look askance at us. This is still based on the same old stereotype: If we have a progressive president, his government can only introduce good reforms. Any criticism is perceived as an attack by reactionaries. I am opposed to that.

[Mandeville] Do you have specific grievances against the government?

[Khasbulatov] Our criticisms have been taken into account. I was in favor of the 500 day plan put forward by Shatalin and Yavlinskiy which, unlike Economy Minister Gaydar's plan, strove to work on privatization and structural changes before moving over to market prices. Talking about market prices today is a mistake. There cannot be any market price because there is no market!

[Mandeville] Vice President Rutskoy is also criticizing the government. Do your criticisms coincide?

[Khasbulatov] Not at all. I think that Vice President Rutskoy should stand by president Yeltsin. He does not have the right to criticize the government as he is doing. My position is different, I am paid to criticize.

[Mandeville] You travel widely in Russia. You have visited Siberia. What is your feeling after your travels?

[Khasbulatov] I am very happy to note that the people are putting up with their problems and still support us, they support President Yeltsin and parliament.

[Mandeville] Has confidence in you not been exhausted?

[Khasbulatov] People think that as long as the president and parliament are strong, there will be a chance of steering the country out of the crisis. Of course, I cannot say the same about the government....

[Mandeville] Is a large-scale social explosion possible?

[Khasbulatov] Every effort must be made to prevent that. That is why I have demanded very rapid changes in our social policy. Gaydar wanted to concentrate on the budgetary balance, but in a situation like ours, that is impossible! That is why Boris Yeltsin issued a decree increasing officers' pay. We are responsible for their fate. Too bad if that makes the budget deficit worse. In this country, aiming for a strictly balanced budget is an illusion.

[Mandeville] You indirectly criticized the IMF's influence on Gaydar's policy....

[Khasbulatov] I know the IMF's importance and I have always been opposed to isolationism. But I am opposed to absolutist approaches. Recently, Gaydar demanded that the Russian Central Bank set interest rates on its loans at 50 percent. Do you know what would have

happened if the bank had agreed? The economy would have collapsed within a week!

[Mandeville] Given the government's impotence, many Russian economic regions seem tempted by autarchy. Is there not a risk of the Russian state disintegrating?

[Khasbulatov] We call this risk "regionalism." Today it is developing with particular strength, because the Russian federal state is incapable of providing the regions with the products they need. They must be understood and helped.

[Mandeville] Helped? But how, if your coffers are empty?

[Khasbulatov] We can help them by adopting legislation favorable to the development of regional autonomy. The regions' authority in the sphere of foreign economic relations must be expanded and they must be given the right to keep some of the fruits of their operations in currency.

We can also help them by strengthening the CIS and maintaining the economic ties which existed among the republics.

[Mandeville] Your ambassador recently stressed that the threat of Russia disintegrating would be even greater if the CIS failed. What are the chances of the CIS succeeding?

[Khasbulatov] I do not share the pessimistic view of many analysts. The CIS is a very young entity. It is perfectly normal for its creation to cause tension. Tell me how long it took you to establish your EEC. How many decades?

[Mandeville] Is a compromise with Ukraine possible if the aims differ?

[Khasbulatov] The Ukrainian state must assert itself. It will be a major power in the region. But I do not think that the Russian and Ukrainian peoples can remain in a situation of antagonism for long. I am sure that these two peoples will soon demand that their leaders stop setting them against each other.

[Mandeville] The Minsk meeting gave a glimpse of serious disagreements between Urkaine and Russia, notably in the defense sphere....

[Khasbulatov] I see nothing tragic about our conflicts. The former republics are still affected by their understandable distrust of the former Soviet center. We must remember that it was almost necessary to obtain authorization from the USSR government to set up a class in a school in Ukraine or Belarus! The republics are afraid that Russia might take the place of the old center. But we do not intend to subjugate anybody.

[Mandeville] The fact remains that the Ukrainian decisions are influencing yours. In view of the fact that the Minsk meeting failed to produce a unified army, will you create a Russian army?

[Khasbulatov] Russia's original position was not to create its own armed forces. But that position is changing. For instance, I think tht we must set up our own defense ministry and our own army. I am talking about a conventional army. I think that the strategic forces should remain under one command.

[Mandeville] Ukraine and Kazakhstan have announced their desire to participate in the negotiations on nuclear disarmament whereas they had agreed to those negotiations being conducted by a unified representation....

[Khasbulatov] That is very dangerous, it poses the problem of the dissemination of nuclear weapons. I think that we would be able to carry out military reductions simultaneously and in equivalent proportions in Ukraine, Kazakhstan, and Russia. That would lead to the total denuclearization of the Ukrainian and Kazakh states whereas Russia would remain a nuclear power but at a markedly lower level.

Moreover, in my view, I do not think that Kazakhstan and Ukraine should be regarded as nuclear powers but as aspirants to the acquisition of nuclear weapons. If they aspire to acquire such weapons, that means that they are violating the nonproliferation agreements.

[Mandeville] You are a Chechen. The autonomous republic of Chechnya is threatening to break with Russia. What should be the response to the separatist temptation?

[Khasbulatov] The peoples which make up the Russian Federation are strongly bound and interwoven. Their separatist temptation is temporary and the result of our deep economic problems. In Chechnya, at least 80 percent of the inhabitants are opposed to a split. President Dzakhar Dudayev came to power in Chechen-Ingushetia by force of arms....

[Mandeville] Your parliament is said to be strongly influenced by "red brownshirts?"

[Khasbulatov] In parliament you find all kinds of reactionaries who will become stronger if the reforms become bogged down. But I do not really feel that the "red brownshirts" are increasing in number.

[Mandeville] You are therefore fairly optimistic. Do you think that something similar to the August putsch is likely in the immediate future?

[Khasbulatov] I do not believe there will be a new putsch, although I cannot rule it out. Even before August, I said that I did not see on what basis a coup could be organized.... In one sense I was right because the putsch failed. I am now of the same opinion although I think we must be cautious.... In particular we must pay a great deal of attention to the Army's position.

[Mandeville] Does the Army strike you as threatening?

[Khasbulatov] It is above all in a desperate situation. Thus, when the Baltic states ask us to withdraw our troops, I reply: Yes, but where to? Where can we send them? To what homes and with what job prospects?

[Mandeville] You often stress that it is up to Russia to solve its own problems and that asking for aid is humiliating....

[Khasbulatov] I do not say that aid is not useful. Moreover, I would like to specify that the humanitarian aid reaches virtually all those it is intended for, despite all the rumors of misappropriation. What is humiliating and rather unpleasant is to blackmail the West. To brandish in its face the specter of a general crisis.

Western aid, on however big a scale, cannot become the major lever for our recovery. Look at East Germany. It sucked up a large part of the FRG's economic blood without much success. So what can we say about Russia! The whole world economy would not be enough to put us back on our feet. The essential remedy is in our hands.

Yeltsin Adviser Says Khasbulatov Misquoted Her

PM2702162592 Moscow IZVESTIYA in Russian 27 Feb 92 Morning Edition p 5

[Letter from Galina Starovoytova, people's deputy of the Russian Federation and adviser to the president of the Russian Federation: "Deputy's Clarification"]

[Text] Issue No. 46 of the Moscow Evening Edition of IZVESTIYA dated 24 February 1992 carried an article entitled "R. Khasbulatov Rejects Prediction of Inevitable Collapse of Commonwealth of Independent States," which speaks of the parliament head's disagreement with the view that "the CIS will soon collapse." Citing REUTERS, IZVESTIYA ascribes the latter assertion to me, alleging that this was said during my press conference; however, I made no such statements. This can easily be established by checking the tape recording made by journalist colleagues, if there were no actual IZVESTIYA reporters present at the press conference. My view of the future of the CIS is more complex. I regret the circulation of inaccurate information in a newspaper which is so reputable and respected by me. I hope that the error was unintentional.

[Signed] Galina Starovoytova,

People's deputy of the Russian Federation and adviser to the president of the Russian Federation.

PRAVDA Takes Issue With Adviser Starovoytova

PM2702163092 Moscow PRAVDA in Russian 22 Feb 92 p 2

[Viktor Kozhemyako report under the "Well, Well!" rubric: "Someone Cooked This Up"]

[Text] I am always interested to read speeches by Galina Vasilyevna Starovoytova. Abrasive and unorthodox, they reveal something unexpected every time.

So it was that in KURANTY for 19 February the Russian presidential adviser expressed a lot of bright and original thoughts on international relations problems. In passing she mentioned PRAVDA. Yes, in passing, almost incidentally, but—what a revelation awaited me and indeed all the readers in these fleeting remarks!

No, personally I was not overly surprised at the claim that PRAVDA carries distorted information. Galina Vasilyevna has said as much before, not bothering to produce any evidence. Nor did I exclaim in surprise upon reading that my beloved newspaper is guilty of "chauvinistic views." After all, chauvinism means different things to different people. The report that very few people read PRAVDA now merely forced a smile: for all that, it has a print-run of almost 1.5 million—quite substantial, in today's climate...

So what was Galina Vasilyevna's sensational revelation? I will quote her verbatim: "The fact is this: Nowadays, PRAVDA subscriptions are financed by military units." Is that so? I keep myself to myself, I work on this newspaper—and I am sure I know nothing about its being financed by army units. I tried asking colleagues, friends, the military authorities—no, nobody had heard any such thing to this day. It would be interesting to know where Galina Vasilyevna got this piece of "hot gossip."

If it is serious, the editorial office expects an official and reasoned answer from Comrade Starovoytova in respect of this statement. Where, how, when, and what money did we receive? From exactly which military units? Were the sums large? If no answer is forthcoming, the editorial office is entitled to assume—and to inform its readers—that we have simply been slandered.

Economics Minister on International Arms Sales

LD2802100292 Moscow Mayak Radio Network in Russian 1800 GMT 24 Feb 92

[Text] At a news conference today, Russian Economics Minister Andrey Nechayev reported to correspondents that not one of the CIS members, apart from the Russian Federation, can play a serious role in the international armaments' markets; 90 percent of all science-research and design developments in the defense industry are produced on Russia's territory. Other republics can at best sell something from the weapons which they have at the present time. The minister reported that regarding armament sales, Russia is open to new partners although she is not about to forget countries that have traditionally been cooperative in that sphere. In first place, in his words, this concerns Eastern Europe and Vietnam.

Property Management Head Holds News Conference

Privatization Earns 414 Million Rubles

LD2802114692 Moscow TASS in English 1056 GMT 28 Feb 92

[By ITAR-TASS correspondent Aleksandr Dzublo]

[Text] Moscow February 28 TASS—The Russian Government earned the first 414 millions of roubles in the first two months of the year due to privatisation of state-owned small-scale ventures, according to Anatoliy Chubays, chairman of the Russian State Committee for Managing State Property. 1,700 privatisation applications have been satisfied and 2,040 are being considered, he told reporters on Friday [28 February].

"Considerable progress" has been achieved in privatisation process in the last two weeks. The organisational period is over practically throughout the whole of Russia, Chubays said. "February, March and April are the months when the process (of privatisation) goes from the federal level down to the local one", Chubays said, adding local authorities were authorised to work out their privatisation programmes and in 49 regions of Russia the programmes had already been approved.

But Chubays expressed concern over "the painful and worrying developments, connected with the so-called privatisation by nomenklatura". Certain officials try to "pocket state property" and sometimes a great amount of it, he explained.

It became known the other day that a dozen of former officials of the Central Committee of the now disbanded Soviet Communist Party founded "a unique joint stock society with a charter capital of one billion roubles, thus trying to take state property away from state control", Chubays disclosed. But their attempt failed, the government resorted to "extreme and tough decisions" and after an in-service investigation is over its materials will be handed over to the office of the prosecutor general, he added.

Further Chubays Comments

LD2802141592 Moscow TASS in English 1326 GMT 28 Feb 92

[By ITAR-TASS correspondent Alexandr Dzublo]

[Text] Moscow February 28 TASS—The struggle against the "privatisation by nomenklatura" is an issue on which "we do not have two differing points of view", Anatoliy Chubays, chairman of the Russian State Committee for Managing State Property, told reporters on Friday [28 February]. The committee, the government and the president "have taken an absolutely tough and definite position that privatisation by nomenklatura is inadmissible", he said, adding there are "all grounds at present for strict legal proceedings against any of such cases".

Three senior officials were punished for "privatisation by nomenklatura", according to Valeriy Makharadze, head of the controlling department of the Russian president's administration. Apart from Aleksandr Yutkin, who was sacked by a governmental decision from the post of deputy head of the Russian State Committee for Managing State Property, on the demand of the controlling department Anatoliy Ustyuzhanin, the former first deputy agricultural minister, and head of "Agropromexport" company nikitin were also dismissed.

But the controlling department did not consider files on the Russian Minister of Industry Aleksandr Titkin, as "an in-service investigation was appointed by the government", Makharadze said. Titkin was accused by several mass media of helping to found the "Kola" joint stock company which was later declared illegal.

Chubays also said he is "categorically" against the creation of closed joint stock companies which include legal entities and individual persons. "This violates legal norms and is a rather often-used way to steal state property", he said, adding the documents concerning the activities of the "Kola" company were forwarded to the office of the prosecutor general.

Chubays denied rumours that a number of employees of his state committee were arrested. "This is considerably exaggerated and I hope nothing of the kind happens", he said.

Central Bank Governor on Debt Repayment

PM2802092292 Paris LE FIGARO in French (FIG-ECO Supplement) 26 Feb 92 p iii

[Gerard Nicaud report: "Debt—Repayment Will Apparently Be Soon"]

[Text] "We ought soon to be in a position to repay the annual interest and capital on the foreign debt" of the former USSR probably even "in the course of the year," Georgiy Matyukhin, chairman of the Russian Federation's Central Bank, said yesterday.

Speaking in the framework of a conference organized by the Institute of Banking and Financial Studies, Mr. Matyukhin justified his statement by the fact that, according to the new legislation in force, exporting enterprises will have to pay around 40 percent of their currency revenue to the government "at the commercial rate" (55 rubles [R] to 1 dollar) in addition to 10 percent to the central bank (which is "independent" of the political authorities, according to Mr. Matyukhin), at the market rate.

Budget Deficit: 10 Percent of GNP

For the government, Mr. Matyukhin said, this should result in revenue of around $12 billion which would be used to repay the debt. Especially since, Mr. Matyukhin added, most of the other former republics, including Ukraine, have pledged to honor their share of the debt.

However, in an attempt to establish his credibility, Mr. Matyukhin made no secret of the fact that Russia's budget deficit for the first quarter will not be 1 percent of GNP as some "optimists" had predicted, but more probably 10 times higher which would already be a "success."

However, the governor of the Russian Central Bank added, it is still necessary to find methods other than the issuing of banknotes to cover the deficit especially since the printing presses "are already working at virtually maximum speed," which, it must be said in passing, no longer seems to suffice: There is a shortage of rubles, to the extent that the CIS currency has recovered considerably against the dollar. Whereas, shortly after the lifting of price controls, the rate of the dollar had reached up to R110 or R120 in the street and that transactions between exporting companies ("noncash operations") peaked at R230 per dollar, current rates, according to Mr. Matyukhin, are R70 or R80 at currency exchange offices and R170 for "non cash."

Mr. Matyukhin hopes that the current trend will continue until it reaches around R20 per dollar after which "there will inevitably be a reverse trend until it reaches R30 or R35—the level at which we would be able to stabilize the currency."

Russian Borrowing: Yes In Principle

With regard to the financing of the budget deficit by "non emissive" methods, the governor said he supports the launching of a vast internal Russian loan which would not only cover budget requirements but would also make it possible to "inject a substantial amount of money into the economy."

Questioned on the possible repayment of the famous "Russian loans" held abroad, Mr. Matyukhin pledged to repay them "as soon as we are capable of doing so and if I remain governor." At the current rate of the ruble, that does not cost too much and could reap great benefits in the political sphere.

'Constitutional Coup' at 6th Congress Predicted

PM2702161792 Moscow ROSSIYSKAYA GAZETA in Russian 25 Feb 92 First Edition p 1

[Ye. Tokareva "Commentary": "From the Realm of Forecasting"]

[Text] The Congress of People's Deputies is approaching. Newspapers are already printing forecasts of how 6 April will turn out for the people. Sergey Filatov, deputy chairman of parliament, stated in our newspaper not so long ago that nothing revolutionary will take place at the Sixth Congress. Many figures in the alternative economy dispute his reassuring forecast. In particular, in an interview K. Borovoy, general manager of the Russian Commodities and Raw Materials Exchange, who likes making forecasts, expressed the fear that a change of government and accordingly a change of economic course will take place at the Sixth Congress and that a limitation of the president's powers is a real possibility. This would be a constitutional coup taking into account all the mistakes of the previous unconstitutional one.

But who, in Borovoy's opinion, will be the people forming an opposition to the existing cabinet and its policy of noninterference by the state in the economy and economic self-regulation? The democratic opposition will most likely not succeed in putting forward its shadow cabinet in the place of Gaydar's. Were this to happen the course of the reforms would be adjusted but not completely changed. However, an attack is expected from the leaders of the military-industrial complex, whose contingent in parliament is large and fits in quite well with the deputies from agrarian sector. The principle in forming the opposition is the same as that of the SCSE [State Committee for the State of Emergency], but without the Army, as tanks are not necessary for a constitutional coup.

It is Borovoy's opinion that the leaders of the military-industrial complex are dissatisfied with the economic reform's progress and are angry at the government and Yeltsin as their sector has been has been left to the mercy of fate. All military-industrial complex enterprises have long been in jeopardy. Their income is significantly lower than their expenditure, and for this reason these major state enterprises' bankruptcy may come as naturally as a change of seasons.

But the military-industrial complex is, more than any other, a city-forming structure. There are whole cities in the republic whose population has formed around the infrastructure of a single defense enterprise.

I woke up one beautiful morning: The plant was at a standstill, as was the city, the savings banks and stores were empty, and the city was coming out onto the streets, getting onto suburban trains, and leaving in haste for Moscow, for the White House.

Will the elite of the military-industrial complex go under in such circumstances? Borovoy considers that the elite will not go under whatever the circumstances. And that it is capable in a gangsterlike fashion of carrying out the export of raw materials and even the cheap export of know-how since it cannot trade directly in arms, and the income would be carefully put aside in secret accounts abroad according to the same principle that the CPSU people used. The suspicions of the man from the commodities exchange are based on the fact that the leaders of the military-industrial complex are reluctant to allow commercial structures onto their patch and do not want to use private (and to be blunt small) investments for conversion programs. On the other hand they willingly use the services of foreign investors.

The homegrown commercial structures consider that peaceful operations of any kind do not suit the bosses of the military-industrial complex as it takes away their power and privileged position in the economy and puts

them on the same terms as a sewn goods factory. For this reason they would advise the president to completely change the leadership of the military-industrial complex right now, to prevent trouble. Using the old well tried administrative methods.

Radical Democrats Support 'Unpopular' Measures

MK2702102492 Moscow FEDERATSIYA in Russian No 9, 26 Feb-3 Mar 92 (signed to press 25 Feb) p 3

[Interview with Sergey Yushenkov, member of coordinating council of Russian Supreme Soviet "Radical Democrats" faction, by FEDERATSIYA correspondent Yevgeniy Smirnov; place and date not given: "Impossible To Be More Democratic Than We Are"]

[Excerpt] [passage omitted] [Smirnov] How do the faction's members see the future national-state system in Russia itself?

[Yushenkov] We would like to see Russia as a federative state where all subjects (territories, say) have equal rights. In this connection we support the version of the Constitution formulated by Oleg Rumyantsev's Constitutional Commission.

[Smirnov] Are you not afraid that if Russia puts pressure on territories it will break up, as happened to the USSR?

[Yushenkov] I am inspired by the example of such states as the United States and the FRG. These countries' states and laender are extremely autonomous. They have their own powerful government structures and their own laws. Yet federal laws and federal government structures also operate there impeccably nevertheless. The same thing could happen in Russia.

[Smirnov] But we have to survive some rigorous ordeals en route to that kind of federation. One of them being the agonizing transition to the market and the concomitant impoverishment of the people. Does the faction back the policy of radical economic reform being implemented by the president and the government?

[Yushenkov] By and large we do undoubtedly support it, if you are talking about strategic goals. Although we do have our own approaches on matters of tactics that differ from the presidential and governmental approaches. In particular, that was why we (like the "Smena" faction) voted against granting B.N. Yeltsin additional powers at the Fifth Congress of People's Deputies. We also advocated preliminary privatization and destatization, which should, in our view, have preceded price liberalization. But further analysis of the situation showed that we may have been somewhat mistaken since we lacked adequate information.

Many analysts today are saying that the only way to act is the way Gaydar's government is acting (and no other way). Although there are economists who think that we could have waited with liberalization. There is also plenty of disagreement over this problem within our faction itself. Time will tell who was more right on matters of tactics. But we are, I stress, united on our views of strategy: We support the reform course and will help the Gaydar government to survive as long as possible, pursuing an unpopular but extremely essential policy.

[Smirnov] Yet this unpopular policy may cause a social explosion.

[Yushenkov] Of course. On one condition alone—if there are forces that deliberately fuel the people's discontent.

In this connection as a deputy I was simply exasperated by the statements made by the head of our parliament following his trip to Ryazan (following the same route, incidentally, as Ligachev did in the past) regarding price liberalization, discrediting government policy. Khasbulatov did after all vigorously support this course at the Fifth Congress and during the session. What has changed in that short time? What did he expect of the government?

Incidentally, Gaydar himself warned of a sure-fire drop in the people's standard of living and an increase in social tension. By and large what should have happened and what was predicted is now happening. This must not be seen as something supernatural. Liberalization is going as planned, in a somewhat mitigated form, moreover.

The following question arises: Did we have another choice? We members of the Radical Democrats faction do not think that we did have another choice. Everything possible must be done today to ease the adverse consequences of reform and implement it in a civilized form. In my view, Sergey Shakhray made a very timely appeal to all political groupings in the parliament to conclude a truce during the transition to the market. We must do everything we can to help reform.

[Smirnov] We would like to know what the Radical Democrats faction is doing now to aid reform.

[Yushenkov] Our contribution may not be very significant. But it is not confined to participating in formulating laws promoting the transition to the market. We are now setting up a shadow cabinet comprising prominent experts and various management specialists with the help of the weekly ARGUMENTY I FAKTY. It is not a question of opposition. The shadow cabinet will help the Gaydar government to study various options for particular decisions. Needless to say, it may be used as a reserve if necessary.

'Patriotic Movement' on 'Antinational' Policy

PM2702150192 Moscow SOVETSKAYA ROSSIYA in Russian 25 Feb 92 p 2

[V. Litov report: "We Have One Fatherland"]

[Text] Unless the Russian leadership's current antinational policy is changed, the country will be easy prey for those in possession of money and power. The disintegration of the state and the Army will inevitably lead to the establishment of international guardianship over nuclear weapons and then perhaps even to occupation of the country by foreign troops. Overall, the historical existence of the people will be in doubt. These words were the leitmotiv of the founding congress of the "Otchizna" [Fatherland] patriotic movement, which has been held in Moscow.

A notable feature of the new movement, which has found a "niche" in the colorful and heterogeneous spectrum of patriotic organizations, is its impartial and balanced attitude to our history. The "Otchizna" movement, Russian People's Deputy V.V. Tarasov, one of the initiators in convening the congress, stressed, "is an association of people for whom the defamatory approach and outright negativism in assessing the October Revolution and the stormy events of the last 70 years of our history are unacceptable."

The familiar phony trappings of "anti-Bolshevist" Russian patriotism—White Guard uniforms, St. Andrew's flags, cossack fur caps, and so forth—were scarcely to be seen at the congress. For some reason the exposers of allegedly "anti-Russian" Leninism forget that the White armies, led by "patriotic" generals, tried with the aid of foreign soldiers and foreign help to suppress the insurgent people, having agreed at the bidding of their Western "friends" to divide the country into spheres of influence for them.

The antipeople regime demonstrated an ominous relapse into bloody suppression last Sunday in Moscow.

Regional Affairs

Moscow Mayor Predicts 'Growing Tension'

OW2702205092 Moscow INTERFAX in English 1900 GMT 27 Feb 92

[Transmitted via KYODO]

[Text] Moscow Mayor Popov predicts growing tension in the Russian capital and republic from mid-April, first of all due to a rise in prices of raw materials, said he at a Thursday [27 February] meeting with Moscow City Council deputies belonging to the Democratic Russian movement. He also said that the population is likely to see their savings and hoarded food evaporated. The economic problems will lead to a political crisis, said Popov.

Popov views as the chief mistake of the Russian leadership that "the reforms being undertaken are conflicting with the legislation; the constitution, Russian laws and presidential decrees all conflict with one another."

Dealing with economic reforms in Moscow, Popov advocated a lightning privatization. "Everything, or at least most shops, must be privatized before May so that their owners can sign long-term agreements to get foodstuffs. Barring that, the city will be hungry," said he.

Deputy Mayor Issues 'Ultimatum' to Oblast

PM2702140792 Moscow PRAVDA in Russian 21 Feb 92 p 3

[Report by Yuriy Makhrin: "Deputy Mayor's Ultimatum to Governor"]

[Text] Yu. Luzhkov, deputy mayor and Moscow Government head, has presented A. Tyazhlov, head of the Moscow Oblast Administration, with a crudely worded ultimatum. Such threatening messages usually cause a war. The rumble of war can be heard in the pages of the protest note from the capital's ruler to the neighboring governor: "Otherwise the Moscow Government reserves the right to adopt countermeasures..." A. Tyazhlov is given three days to think it over.

What is all the fuss about? On instructions from the deputy mayor, a competent group (so the note says) toured the oblast rayons to check on how essential products were being sold there, and established that it was on the basis of either lists or coupons. This indicates, Luzhkov lectured his colleague, that the Moscow Oblast Administration leadership is not taking proper measures to provide the oblast's inhabitants with food. There follows a stern instruction: "The Moscow Government requires you to revoke all local authority decisions on the sale of foodstuffs within three days." Otherwise...

I learned from authoritative sources that the Moscow Oblast Administration is preparing a reply in the style of the letter from the Zaporozhye Cossacks to the sultan.

The ultimatum expired yesterday. The Czar-Cannon has remained silent. The lull before the storm?

Poll Shows Gap Between Moscow Incomes, Needs

PM2802144292 Moscow ROSSIYSKAYA GAZETA in Russian 27 Feb 92 First Edition p 1

[Unattributed report under the "Poll" rubric: "Capital's Rich and Poor People"]

[Text] The population's incomes were one of the topics in a sociological poll of Muscovites carried out in February by the "Mneniye" [Opinion] independent service and commissioned by the Russian National Bank.

Its results demonstrated rich people's fairly high prestige. Almost one-half of those polled (47.7 percent) stated that they have a positive attitude toward people whose annual income is 1 million rubles [R]. At the same time one in three distrusts millionaires. This is probably connected with the fact that 67.6 percent of respondents state that they will not be able to become rich even in time. Nevertheless, 17.2 percent consider this possible for them.

One in five of the capital's inhabitants believes that in order to live normally not less than R5,000-10,000 per month is needed for each family member. Some 25.2 percent said R3,000-5,000, 22.8 percent said R2,000-3,000, and 15.2 percent said R1,000-2,000. Only 2.9 percent are prepared to be content with a sum of up to R1,000, while almost one in 10 would like to receive over R10,000 per month.

However, the "net" average income for each family member of the Muscovites polled, including all compensation and extra earnings, is only R547.08. For comparison let us add that in January last year this figure equaled R160.58.

The statement that 74.2 percent of respondents have never bought goods in commercial stores is, therefore, not surprising. The transition to the market has made shopping on the market inaccessible to 61.8 percent of those polled.

Poll Shows Muscovites Oppose Special Congress

PM2802130792 Moscow ROSSIYSKAYA GAZETA in Russian 28 Feb 92 First Edition p 1

[Untitled report from ROSSIYSKAYA GAZETA, ITAR-TASS roundup under "Brief Line" rubric]

[Text] In a poll conducted in February by the independent "Opinion" service for the Russian National Bank, more than 60 percent of Muscovites opposed the planned convening of a special Congress of USSR People's Deputies. At the same time 19.7 percent of those polled support the idea of such a congress.

President Dudayev Demands Funds, Sets Deadline

LD2702235792 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 2100 GMT 27 Feb 92

[From the "Novosti" newscast]

[Text] Udugov, press and information minister of the Chechen Republic, has given us the text of a telegram sent several hours ago by Chechen President Dudayev to Boris Yeltsin. I quote: Despite the fact that the Chechen Republic is fulfilling its agreed deliveries, the Russian authorities are continuing a financial and economic blockade. Russia's debt toward the Chechen Republic amounts to more than 1 billion rubles. The working people of the republic are not receiving wages, pensions, or benefits. I suggest that the republic be supplied with money within three days, otherwise I retain the right to halt the delivery of industrial output, including petrochemical products.

The telegram is signed by Dzhakhar Dudayev, president of the Chechen Republic.

Just for your information, the Chechen Republic produces 92 percent of the aviation fuel used in Russia.

Attacks on Groznyy Military Camps Viewed

LD2802101592 Moscow Radio Rossii Network in Russian 0900 GMT 28 Feb 92

[Text] The Northern Caucasus press center has held a meeting with journalists at which information was given about the recent attacks on the military camps in Groznyy. Contrary to claims by Chechen President Dzhakhar Dudayev, these attacks had been organized by local opposition to the general and not at all by the Russian leadership, the POSTFACTUM agency notes. As the spokesman of the military district's press center noted, an inner-party struggle is in progress in the leadership of Chechnya. The latest manifestation of this was the attacks on garrisons of the CIS Armed Forces.

Tatarstan President on Relations With Russia

LD2802100592 Moscow Radio Moscow World Service in English 1910 GMT 27 Feb 92

[Interview with Tatarstan President Mintimer Shaymiyev; place and date not given—read by announcer]

[Text] In August 1990 Tatarstan, formerly an autonomous republic in the Russian Federation, adopted a declaration of sovereignty. Mintimer Shaymiyev, the former leader of the Communist Party of the republic, was elected its president. Lately calls have intensified to make Tatarstan a sovereign state and sign a treaty with Russia. Our reporter met President Mintimer Shaymiyev to get firsthand information.

I think that what had to happen is now happening here because such a big republic as ours having a great potential and a history of strong statehood spoke for raising its state status in conditions of democracy and with the growth of the feeling of national identity. This is a natural process caused by the restructuring of the whole country.

Does this mean as many people believe that Tatarstan wants in fact full independence from Russia?

We never speak of independence. Why? Because due to our geographical position, our common history, and close links between our peoples one can speak only of new relations, a union of equals with Russia. This is what is in question. I favor a treaty, and the bulk of the population supports me.

What do you as president of Tatarstan imply by sovereignty?

Tatarstan needs sovereignty to deal on equal grounds with the present central government and other countries using the great potential it has. On this basis we could offer a better life to our people. We have every possibility for that.

If Tatarstan (?attains) sovereignty the question of the future of the Russian-speaking community constituting almost half of the population arises.

When we speak of sovereignty we speak on behalf of the entire multiethnic population of the republic. On this basis we should offer well-being to everyone in Tatarstan irrespective of ethnic background.

At the end of last year Russia, Ukraine, and Belarus delivered the last blow to the Soviet Union and formed the Commonwealth of Independent States. Can one expect the leaders of the former autonomous republics, say Tatarstan, Bashkortostan, and Yakutiya, to assemble and dissolve the Russian Federation and proclaim the formation of a new community?

I don't think so, because unlike the republics that destroyed the union we favor a union with Russia, a renewed federation. The Russian Federation should be reborn on the basis of equality and appropriate agreements.

Tatarstan Faces Danger of Nationalism

LD2802101692 Moscow POSTFACTUM in English 2114 GMT 27 Feb 92

[From the "Politics" section]

[Text] Kazan—A member of the state council under Tatarstan's president believes that Tatar nationalism, capable of reviving Russian fascism, has become a main threat to the republic's civilized development. Vladimir Belyayev, a member of the state council, says that the absolutization of the idea of independence in Tatarstan can result in a situation similar to that created in Georgia by its former President Zviad Gamsakhurdia's isolationist position. The rupture of governmental relations with Russia will result in the disruption of economic relations, he said on February 27 in an interview with the daily KAZANSKIE VEDOMOSTI.

Debates at Tatar Supreme Soviet Reported

PM2802100992 Moscow ROSSIYSKAYA GAZETA in Russian 22 Feb 92 First Edition p 5

[Report by Dmitriy Mikhaylin under the "Federation" rubric: "Who Remembers What..."]

[Text] During the 19 February sitting of the Eighth Session of the Republic of Tatarstan Supreme Soviet, which has resumed its work, a law on holidays has been adopted on its first reading; in this law 7 November appears as the "Great October Socialist Revolution holiday" and is deemed to be a day off.

Deputies belonging to the nationalist "Tatarstan" faction insisted that 15 October be made a day of remembrance for the defenders of Kazan who fell during the capture of the city by Ivan the Terrible's troops in 1552. But the parliamentarians were clearly swayed by the speech made by Yuriy Alayev, a deputy from the "Accord" [Soglasiye] faction, which contained a warning that "this could become an awkward day for Russians vis-a-vis Tatars," and the "days of remembrance" section of the law was referred back for additional work.

Deputy Fauziya Bayramova (leader of the "Ittifak" Tatar party for national independence) called on the Supreme Soviet to urgently resolve the question of making arrangements for draftees from Tatarstan to serve only at home. According to her, 19 soldiers have deserted from regions of the CIS a long way from the republic "owing to unbearable moral and physical conditions of service." Moreover, Fauziya Bayramova reported that, on the initiative of the "Ittifak" party, a national guard is being established in Tatarstan and, clearly, it should subsequently become the backbone of the Tatarstan Army. At present 150 young people have expressed a desire to join the national guard.

Obviously, the parliament was unable to sidestep the issue of its attitude to the events of 15 February, when representatives of the national movement attempted to prevent the Congress of Democratic Forces of Republics and National-Territorial Formations Within the Russian Federation from being held in Kazan by putting both moral and physical pressure on delegates at the forum (some of the participants at the congress were quite simply beaten up). Two opposing deputies' groups—"Tatarstan" and "Accord"—read out addresses.

Their opinions on this matter, as was to be expected, are diametrically opposed. In the opinion of the democratically minded "Accord" group, the events of 15 February are the latest link in a chain of extremist outbursts by nationalists that have basically been sanctioned by the republic authorities in their attempts to hold on to their posts by playing the national card. If this is not so, what other explanation can there be for the militia's inactivity while the congress delegates were being beaten up?

Iskander Galimov, chief of the Kazan Internal Affairs Administration, speaking at a Kazan City Soviet session that also began 19 February, stated that following instances of hooliganism and resistance to militia staffers by nationalists 15 February, one administrative and two criminal cases have been instituted.

Split in Tatarstan's Reform Movement Noted

OW2802001592 Moscow INTERFAX in English 1900 GMT 27 Feb 92

[Transmitted via KYODO]

[Text] The Chairman of the political council of the Democratic Reform Movement of Tatarstan (DRMT) Academic Rafael Shakurov announced his resignation and renouncement of his membership in the movement. In an interview with "INTERFAX" he said that the reason for his resignation is a split in the movement on the question of Tatarstan's status.

Shakurov said that he and his supporters uphold the right of citizens of Tatarstan to create an independent sovereign state. They intend to form a centrist fraction within the DRMT with the participation of representatives of the Tatar Social Center, the Liberal Union and other organizations.

In addition the council of the DRMT decided to play an active role in the preparation and execution of a referendum on the status of the republic. He called on all citizens to reject the referendum: "Do you want the Republic of Tatarstan to be a subject of international law which builds its relationship with the Russian Federation and other republics on a contractually equal basis?" The council of the DRMT said that an affirmative answer to that question indicates agreement to Tatarstan's secession from the Russian Federation.

Military Exercises Continue in Maritime Kray

OW2802072792 Moscow Russian Television Network in Russian 0540 GMT 19 Feb 92

[Video report by V. Dudik; from the "Dalniy Vostok" program]

[Text] It is doubtful whether anyone will dispute the concept that our doctrine should be one of defense. [video shows an Mi-8 Hip helicopter, an armored unit on exercises, an exercise control command post, a briefing, and tank crews scrambling]

We are not threatening anyone and do not have territorial ambitions. But nothing is that simple, and we are still very far from that image which the champions of disarmament in our homeland are so insistent upon. It is still somewhat early to speak today about the irreversibility of positive change. After all, we must remain realists. As Aleksandr Vasiliyevich Suvorov [historic military leader] used to say: An industrious soul must always be busy at its trade, and frequent exercise is as enlivening to it as is regular exercise for the body. [video shows Dudik interviewing Lieutenant General V. Potapov, Colonel S. Petrozov, and Lieutenant Colonel E. Tsitsilin]

[Begin recording] [Potapov] Overall, in the social and political situation which has developed in the country today, I consider manpower essential, even considering the situation which the army finds itself in today. If we do not get on with the professional task for which we exist, then our presence here is simply not needed. I feel that we are doing the correct and necessary job for the country, for the people, and for ourselves in the first instance.

[Petrozov] I agree with my commander, of course. On the one hand, no state can exist without an army. An army without professionals is not an army, and therefore to prepare professionals combat training is necessary. I think that as long as we are wearing shoulder boards, we should continue combat training.

[Tsitsilin] Whatever the political facets, and however democracy develops, no one has yet abolished the profession of defending the country.

[Potapov] The army's spirit is still strong.

[Petrozov] All officers are attuned to combat and are ready to defend the homeland. On the other hand, the officers and enlisted personnel are carrying out their duties honorably, despite the difficult situation the army is in today—and it is very difficult.

[Potapov] I am a Russian, and I will defend Russia to the last breath, until the last drop of blood, regardless of anything. [video shows T-62 tanks exercising] [end recording]

Mass Desertion of Soldiers in Perm Reported

LD2802101192 Moscow POSTFACTUM in English 2114 GMT 27 Feb 92

[From the "Politics" section]

[Text] Perm—In the Perm region, a large group of Army servicemen have made an attempt to desert their military unit. On February 25, the perm daily DOSSIE O2 reported that 111 servicemen guarding a penal colony in the town of Kizel, on February 20 deserted their unit and headed for a railway station in order to go back to their homeland in Central Asia. After negotiations with the deserters, conducted by Kizel's prosecutor, head of the municipal interior department, CID [Criminal Investigation Department] officers and unit commanders, the servicemen returned to their unit in three Zil trucks. Head of the Kizel labour camp's directorate, Benedikt Nikitin, has described the incident as typical: The soldiers want to serve in their homeland, in those states where they were recruited. In this particular unit, there are only 21 Russians out of the 244 conscripts. The local command has appealed to the main interior force directorate to urgently replace the personnel with servicemen from Russia.

Omsk May Receive License To Sell Arms

LD2802102692 Moscow POSTFACTUM in English 2114 GMT 27 Feb 92

[From the "Domestic Market" section]

[Text] Omsk—Reports say Russia's President Boris Yeltsin has promised the Omsk regional administration's head to issue a license allowing the region to sell the output of its local defence-related enterprises. According to a source close to the region's government, if the license is issued, Omsk will obtain the right to establish contacts and sign agreements on the sale of military equipment with any country, with the exception of Iraq and Yugoslavia.

President Representative Post Abolition Reported

PM2802143192 Moscow IZVESTIYA in Russian 26 Feb 92 Morning Edition p 2

[Valeriy Mirolevich report: "Post of Representative of President Will Be Abolished"]

[Text] Voronezh—Governor V. Kalashnikov announced at a news conference in Voronezh the upcoming abolition of the post of representative of the president.

The governor referred to his meeting with Boris Yeltsin the other day and stressed that the relevant document will be issued in the near future and will concern not just the president's representative in Voronezh Oblast.

The widely publicized scandalous actions of the administration in allocating cars to the nomenklatura and the active involvement of oblast leaders in commercial structures have been linked with the names of the president's Voronezh resentative, V. Davydkin, and of a number of Democrat deputies.

"I assured the president that a job will be found for V. Davydkin," Kalashnikov said.

The inhabitants of Voronezh learned the sensationalistic news of this way of resolving the confrontation between the governor's team and the Democrats that same day, because the news conference was broadcast on local television.

International Affairs

Kravchuk Holds Phone Conversations With Leaders

Speaks With Bush

LD2802091292 Moscw TASS in English 1818 GMT 27 Feb 92

[By UKRINFORM-TASS correspondent]

[Text] Kiev, February 27—Ukrainian President Leonid Kravchuk and U.S. President George Bush had a telephone conversation on Thursday [27 February]. They exchanged opinions on important problems connected, specifically, with the development of a political situation in Ukraine, in the CIS, a quest for a mechanism of the repayment of the debt of the former USSR, credits from Western states, nuclear arms reduction.

Kravchuk said, specifically, that stabilisation of relations between Ukraine and Russia, the biggest states of the Commonwealth, will help strengthen stability in the Commonwealth.

The presidents agreed that it is necessary to observe obligations for the payment of the debt of the former USSR. They noted that the business circles in the United States and in Europe will receive the settlement of this matter with satisfaction. Kravchuk said that a stable position of the Ukrainian Government plays an important role in this.

The Ukrainian leader thanked the U.S. President and the American people for humanitarian aid to Ukraine. He said that a Ukrainian Ambassador to Washington will soon be appointed.

The U.S. President invited Leonid Kravchuk to the United States for an official working visit on May 6, 1992. The invitation was gratefully accepted.

Speaks With Mitterrand

LD2802093792 Kiev Radio Kiev First Program Network in Ukrainian 0600 GMT 26 Feb 92

[Text] A telephone conversation between Ukrainian President Leonid Kravchuk and French President Francois Mitterrand took place yesterday. In the course of the friendly conversation, Kravchuk informed Mitterrand of the consultative meeting of representatives of the former USSR states which took place in Kiev yesterday. He stressed that participants in the meeting arrived at a conclusion that they would be paying off the debts of the former USSR to other states. However, in the light of new realities, there is a need to make adjustments to the mechanism of this debt repayment.

The position of Ukraine on this issue was set forth. It was noted that Ukraine is working on finding the adjustment for the debt repayment mechanism together with other states of the former USSR, and also consultations with Group of 7 [G-7] representatives. As is known, a meeting of G-7 representatives, who will also examine this issue, is planned for next Friday, 28 February. Ukraine would like these issues to be settled, both in the best interest of the former republics of the USSR and of the creditors. It was also noted that Ukraine pins hopes on being able to pay its part of the debt as a result of economic reforms which are now being implemented.

On his part, Francois Mitterrand expressed an understanding of economic difficulties experienced by Ukraine and other CIS states at present, and gave assurance that France would foster improvement of their economic situation. He noted that the debts should be paid off using the appropriate mechanism, which has to be developed. The president of France did not exclude the possibility of introducing a moratorium on debt repayment for a certain period of time, stressing that the main thing here is confidence in the correctness and precision of the repayment mechanism. He expressed hope that Ukraine, which is rich in resources, would be among the first CIS states to overcome economic difficulties.

Both presidents expressed a mutual desire to meet, and also to continue telephone conversations, in order to receive from the horse's mouth the information about events taking place in their countries.

Kravchuk on German Resettlement, Weapons

OW2702205592 Moscow INTERFAX in English 1900 GMT 27 Feb 92

[Transmitted via KYODO]

[Text] Ukraine is welcoming the return of the Germans who were deported from the republic during WWII, said Ukrainian President Kravchuk during his Thursday [27 February] meeting in Kiev with Hans Vogel, a leader of the German Social-Democratic Party.

Kravchuk said that a February 27 meeting with Ukrainian regional administration heads and Vozrozhdenie, a German cultural society, expressed readiness of Ukrainians in the south of the republic to receive resettling Germans "literally today."

Ukraine had a German community of 400,000 before WWII and has a German population of 38,000 now. "We are waiting for a German congress in Moscow on March 20 and 21, whereupon it will become clear how many Germans can return to Ukraine," said Kravchuk.

Touching on the Kazakh president's statement that his republic was not going to give up nuclear arms, Kravchuk said that Kazakhstan must have an alliance with Russia to be a nuclear power because it lacks the technologies. The president said that "Russia will be the sole nuclear power in the CIS."

According to Kravchuk, "things have gone too far" in the Karabakh conflict, and a full-scale war in on. He proposed the so-called zero option, i.e., a return to the

situation before Mikhail Gorbachev placed the region under emergency rule. This action scrapped democratic structures in Karabakh, said he.

Government Offers Oil Workers to Kuwait

OW2702194892 Moscow INTERFAX in English 1630 GMT 27 Feb 92

[Transmitted via KYODO]

[Text] At a meeting with a Kuwaiti Government delegation, Ukrainian Economics Minister Aleksandr Minchenko said his government could send 600,000 oil and gas industry workers now employed in Siberia to do similar kinds of work in Kuwait.

Ukraine uses the fact that there are Ukrainians working on oil wells in Siberia as an argument to persuade Russia to sell it oil at prices lower than the world ones.

It is unclear so far whether Kuwait will be willing to sell oil to Ukraine at low prices if Ukrainian workers are employed in its extraction.

Former USSR Allegedly Behind Sale of Warships

LD2702141692 Moscow Radio Moscow World Service in English 1200 GMT 27 Feb 92

[Text] The head of the Black Sea Fleet's Logistics, Vice-Admiral Vasilyev, has rejected allegations by the Ukrainian President Leonid Kravchuk, saying the fleet's warships were being exported to other countries. The vice-admiral said the former Soviet Union and its defense ministry were behind the deals for selling off obsolete or written off warships. He said the order on exports of nine warships was made as early as 1988, before the break up of the Soviet Union or Ukraine's claim for part of the fleet. Admiral Vasilyev said details of the deal could be found out from ex-President Gorbachev or the former Defense Minister Dmitriy Yazov.

Trade Council Meets in Kiev; Discussions Noted

LD2702130492 Kiev Radio Kiev in English 0100 GMT 26 Feb 92

[Text] The first two-day general meeting of the Turkish-Ukrainian Trade Council ended in Kiev on 25th February. It was created last year within the declaration on the principles and aims of relations between Ukraine and Turkey.

Taking part in the sittings of the council are representatives of the governments and business circles. More than 200 businessmen of Turkey and Ukraine took part in this seminar.

They discussed an issue of creating a Black Sea zone of economic cooperation, extending bilateral trade relations and construction in Ukraine of industrial and agricultural facilities.

Diplomatic Relations Established With Croatia

LD2802073492 Kiev Radio Kiev in English 2200 GMT 20 Feb 92

[Text] An exchange of credentials has marked the establishment of diplomatic relations between Ukraine and the Republic of Croatia. That is the 45th country with which we have established diplomatic relations.

National Affairs

President Stresses Friendship With Russia

LD2702215692 Moscow TASS International Service in Russian 2005 GMT 27 Feb 92

[Text] Moscow, 27 Feb (ITAR-TASS)—In the geopolitical sense, Ukraine and Russia are and will be neighbors with many common interests, Ukrainian President Leonid Kravchuk has stated. An interview with him is published in the latest issue of ARGUMENTY I FAKTY weekly.

"It is important for Ukraine that Russia has political and economic stability. I think that for Russia it is no less important that there be a similar situation in Ukraine. At the same time, we must proceed on the basis that we are independent and friendly states and that it is not a case of one state being part of the other," stressed Kravchuk.

Dealing with the problem of control over the "nuclear button", the Ukrainian leader stated that "it is impossible for it to be controlled jointly." He confirmed that at the moment it can only be pressed with the agreement of all the presidents of the republics that possess nuclear weapons (Russia, Ukraine, Belarus, and Kazakhstan).

In the view of the Ukrainian president, there cannot be a single army for all the members of the CIS "because then either the army is not a single army, or the states are not independent, or it will inevitably rise above these states," he said. To the question of how he envisages this issue being resolved, Kravchuk gave the example of NATO, in which, in his words, each state belonging to the organization "has its own army but the strategic forces of all the states are single forces."

Trade for Rubles Temporarily Resumed

LD2702113392 Moscow TASS in English 1104 GMT 27 Feb 92

[By UKRINFORM correspondent Stanislav Skirko]

[Text] Dnepropetrovsk, February 27 TASS—The Executive Committee of the Dnepropetrovsk Regional Soviet of People's Deputies has called the ruble for help in the height of the Ukrainian coupon trade. Trade organisations in the region were temporarily allowed to sell meat, poultry, eggs, potatoes, vegetables, fruit and canned fruit and vegetables for rubles as well as coupons.

The region's storages are overstocked with poultry and eggs, which prompted the authorities to resort to this measure. People do not want to spend the limited amount of coupons on overproduced goods. Likewise it is not prudent to keep meat when it will go off. Obviously, it is time to reduce prices. However, authorities all too often act according to an unwritten rule: let it go off before giving up our principles.

Kazakhstan

Commissions To Investigate Baykonyr Mutiny

PM2702192192 Moscow PRAVDA in Russian 28 Feb 92 p 2

[Report by Georgiy Loriya: "The Military Show Their Mettle At Baykonyr"]

[Text] Leninsk—Special commissions from Alma-Ata and Moscow, including representatives of the Kazakhstan State Defense Committee, Military Prosecutor's Office, KGB, and the CIS Unified Armed Forces Command have arrived at Baykonyr.

They will be investigating the circumstances that led to the mutiny of several thousand soldiers from the space center's construction units. According to the statement by the troops themselves, their actions were prompted by bad service conditions, hostile commanders, and poor medical standards.

The military construction workers held a spontaneous rally at Tyura-Tam railroad station. It was also attended by sympathizers from among the local population. Several demands were made at the rally, in particular for the creation of normal conditions for service, the granting of leave, and the removal of a number of officers who, the soldiers claim, have discredited themselves.

The conflict had begun the day before, when one of the military construction workers was arrested and sent to the commandant's office. His comrades tried to help him by ramming the gates with a vehicle, whereupon the sentry opened fire, wounding one of the attackers. Then around 500 soldiers seized 15 or so trucks and that night drove off to the city of Leninsk.

According to available information, around 2,000 soldiers are not in their barracks at the moment. On their insistence they have been given refuge in Kazakhstan People's Deputy Major P. Chumachenko's unit.

City administration head V. Brynkin, who was appointed only a few days ago, promised the military construction workers that within a few days leave will be authorized for anyone who wants it. The command has issued an order on the removal of seven officers. The soldiers agreed to give their commanders 15 days to meet their remaining demands.

Seven Officers Dismissed

LD2702170292 Moscow Radio Rossii Network in Russian 1200 GMT 27 Feb 92

[Text] Kazakhstan's central newspapers have carried extensive articles today on the mutiny by military builders at the Baykonur Cosmodrome. The newspapers say that the causes of the disturbances include bullying by seniors, violence against soldiers and thefts from them by officers. Frequently, soldiers were left without hot food or water. They were forced to pay for their uniforms out of their own pockets. Now there is a government commission working among the construction units in the area of the Cosmodrome. It has been announced that seven officers have been dismissed from their duties. Many of the soldiers in the construction battalions have been granted short-term leave.

Baykonyr Personnel on Mir Space Program

OW2702143992 Moscow Russian Television Network in Russian 0800 GMT 4 Feb 92

[S. Fedorova report from the "Kosmopolis" program on by Baykonyr TV—recorded]

[Text] [Fedorova] Another liftoff, number 339 or 340—it does not really matter. It is just another planned liftoff for the testers of the spaceport. In a few moments the rocket carrying the Progress transport ship will be on its way, and after a predetermined time it will dock at the Mir orbiting station.

Flight Engineer Sergey Krikalev has been working on board the orbiting station since May 1991, and the commander, Aleksandr Vulkov—since October. Aleksandr Viktorenko and Aleksandr (Kolerin), who will replace them, are already in training.

[Vulkov] I am convinced that our work is essential and it must not be curtailed or stopped, since we will have to go back to it no matter what, but the price will be higher. I think that people have enough common sense to understand this and to continue this program together with the participation of all members of the former Soviet Union.

[Unidentified cosmonaut] Space unites all people on earth. It would be good if everyone remembered it, and instead of scattering to their national homes and dividing our huge accumulated space potential, would cooperate in using it.

[Fedorova] Here at the exhibition grounds are those who have a business interest in space research. Please introduce our guests.

[Interpreter] This is the scientific director of our experiment. He is from the California Technological Institute.

[A foreigner introduces his colleagues and himself in English, which is then translated into Russian.]

[Unidentified foreigner] Assisting Dr. Strong is Doctor Barry (?Stoddard) from the University of California, Berkeley. We have Maria Douglas from (?Payload) Systems in Boston, Massachusetts...

[Interpreter, interrupting] And George (?Birnbaum), our client from Canada.

[(?Crabbs)] I am Chris (?Crabbs) also from (?Payload) Systems.

[Fedorova] Thank you. I am Svetlana Fyodorova of the Baykonyr TV company, and this is my colleague Olga Pastikhova and our cameraman Vyacheslav Sergayev.

Our American friends and colleagues have a certain interest in this space port. What is this interest?

[Chris (?Crabbs) in English with simultaneous Russian translation] The fact that you have the orbiting Mir station makes your space exploration unique. The purpose of our experiment, which is to grow protein crystals in conditions of microgravity, demands extended stay in space. Therefore, we have come here to exploit the potential of your orbiting Mir station.

[Fedorova] Thank you. I wish you a successful stay here. All the best.

This is Oleg Vladimirovich Mitichkin, a representative of MPO [intergovernmental organization] Energiya. What are your objectives today?

[Mitichkin] Our objective is to guarantee the carrying out of a commercial experiment in producing protein monocrystals in space by the U.S. firm (?Payload) Systems, which specializes in biotechnology. The goal of the experiment is to produce these crystals, which will become a source of scientific information for developing new, unique pharmaceuticals. Our facilities and our Soviet scientists are also engaged in such research. An analogous experiment which employs Biokrist instruments will be carried out on the Mir station.

[Fedorova] Are you sure of the success of your commercial enterprises?

[Mitichkin] We are not sure at all, but we are doing all we can so that the biotechnological space research would become very profitable for our enterprise, our country, and our pharmacological industry.

[Video shows interview with General A. Leonov.]

[Fedorova] Do you think the space port has a future?

[Leonov] I am sure of it. I do not think that even such a carved-up state as the one we have today will decide to close down all this. If one speaks of the future, one must start creating it today. If we close it down we will have no future at all.

Today, while accompanying someone here, I looked around once again and tried to see all that has been done here with new eyes. I was filled with pride. What smart people we are! Foolish people who never look ahead could never create all this. We should be proud of it. What is more, so much has been invested here. We now have arrived at the time when this investment can be returned. So, when some representatives of social security tell us: "We have no medicine in our country, why are you talking about space flights?" I answer: If there are no space flights, there will be no medicine. We have already brought you more medicine that anyone else in the world has ever seen. Yet you do not want to consider this: to understand that if you do not invest 100 rubles today, you will lose a million tomorrow. What is more, everything necessary has already been built.

[Fedorova] Excuse me, but as far as I understand it, space research is nothing but a fairy tale without government support.

[Leonov] Well today we are like the kolkhoz which has said: Just do not stand in our way and let us use what we already have. This is a paradox that the money we have already earned through commercial flights has been taken away by the state. We could have turned this money into rubles and paid our people for their work. We could have survived even in this transitory, lean, and bad period, but even this money was taken away. On the one hand, they give us nothing; on the other hand, they take what we have already earned. Excuse me, but how can we live like this?

[Fedorov] By the way, some of my colleagues have published their own theory on this, saying that in Baykonyr they are taking their shoulder bars off. What is your reaction to this?

[Leonov] It is very easy to remove the shoulder bars. The question is whether it will improve the situation, and if the situation worsens, it is probably a bad move.

Today we have an organized system which has worked for many years, for decades. We have trained special service personnel, highly educated and well prepared officers, bound by oath and regulations. If we break up all this, we may lose a lot.

[Fedorova] The Baykonyr space port, 25 January, 1051 Moscow time. Another Progress satellite leaves the Gagarin launcher. Baykonyr lives and hopes.

Talks Under Way on Selling Weapons Abroad

LD2802112792 Moscow POSTFACTUM in English 1916 GMT 27 Feb 92

[From the "External Economic Relations" section]

[Text] Alma-Ata—On February 26, the first round of talks has ended in Alma-Ata on a project to sell weapons via the Paks-Alisa Bourse to foreign partners, in particular, Syria, for hard currency. Paks Alisa's president, Vladimir Misnikov, told PF [POSTFACTUM] that this project will be carried out by the Bourse jointly with the Sovig Co., a Canadian firm and a state-owned corporation of Kazakhstan Electrotechnical and Machine-Building Enterprises, founded in December 1992. A representative of this corporation, who refused to identify himself, told PF that at the initial stage, the corporation intends to offer a battlefield bomber, Su-24Mk (Butcher) [as received] and also radio surveillance instruments and equipment. According to him, 38 defense industry enterprises in Kazakhstan are in a desperate situation: all state orders have been abolished and state financing cut. In order to prevent a reflux of manpower, the corporation has decided to undertake this project involving the sale of weapons. He also said: There are certain foreign firms which are ready to sign contracts, but there is a list of countries, approved by the Defense

Ministry a long time ago, where the USSR cannot deliver its weapons. The project's authors say that the implementation of this programme will make it possible to attract foreign investors in defense branches, which will facilitate the conversion programme. According to a defense industry representative, the sale of arms will help Kazakhstan's defense enterprises to improve their financial position and also to strengthen the republic's hard currency budget.

Participants in the talks point out that the project allows to accomplish the set targets through legal means. At the same time, they pointed out that there were a number of documents that would have to be changed. In particular, at present a defense enterprise is obliged to transfer its output only to a defense ministry designated customer, and furthermore, the implementation of the project is made difficult due to the regime of overriding secrecy that exists at defense industry enterprises. It was pointed out during the talks that it is necessary to carry out the project as a matter of urgency, as long as the armaments produced by Kazakhstan enterprises are still competitive. A defense industry representative said that no nuclear weapons would be sold. Asked about the sale of defense industry know-how, he said: I do not think we shall go that far. Participants in the talks do not rule out that, in spite of their intention to sell weapons only to foreign partners, they may find their way, through blind parties, to CIS trouble spots, where hostilities are underway. A representative of Kazakhstan's military-industrial complex refused to answer a PF correspondent's question whether the republic's government knew about the project.

'Constructive, Farsighted' Foreign Policy Hailed

PM2802094992 Moscow PRAVDA in Russian 26 Feb 92 p 3

["My Opinion" article by Vsevolod Ovchinnikov: "Kazakhstan Debut in Asia"]

[Text] We have become more accustomed to scolding rather than praising of late. All the more gratifying, then, to be able to congratulate Kazakhstan on its successful foreign policy debut on the Asian stage. President N. Nazarbayev's visits to India and Pakistan and Prime Minister S. Tereshchenko's visit to China can be seen, I think, as an example of constructive diplomacy. Kazakhstan has demonstrated in practice that the members of the CIS can collaborate successfully, that is, complement one another's foreign policy activity to their mutual benefit.

In paying priority attention to India, Pakistan, and China, Kazkahstan was guided by its geographical position in the center of Asia. But the thrust of its foreign policy initiatives will undoubtefdly favor the common interests of the CIS, since it compensates for the "Westward slant" that has been apparent thus far in Russian diplomacy.

A big impact was made in Delhi and Islamabad by Nazarbayev's pronouncements to the effect that the second largest republic of the former USSR with the third biggest economic potential intends to use its status and authority to strengthen the CIS and ensure its viability through effective coordinating bodies. One would like to see the other CIS leaders adopt a similarly farsighted approach.

Another instructive feature of Kazakhstan diplomacy is its balance, which was apparent in the actual schedule for the trips. Let us be frank about it: Soviet strategy in the region was driven willy-nilly by the contradictions between India and Pakistan and India and China. By combining visits to Delhi, Islamabad, and Beijing in the same schedule, the politicians in Alma-Ata were trying to banish this stereotype.

The Indian leaders heard what they wanted from Nazarbayev. Kazakhstan rejects all extremism, including religious extremism. There is no foundation in the republic for Islamic fundamentalism, which would set it back several centuries. Assurances of this kind were greeted with relief in Delhi, which is very apprehensive lest a "Muslim common market" appear on the country's northern frontier.

The meetings in Islamabad were fruitful, too. Kazakhstan and Pakistan revealed a common interest in the speediest settlement of of the Afghan problem. Indeed, trade and economic links between the two states can only develop successfully via the territory of Afghanistan. Therefore, the idea of creating a transitional government there and holding free elections under international supervision has the backing of both Alma-Ata and Islamabad.

The development of direct links between Kazakhstan and China could be truly invaluable for all the community states. One of the first results of the normalization of relations between Moscow and Beijing was the decision to build the Urumchi—Alma-Ata railroad, which will be the shortest land route from Asia to Europe. It marks the rebirth of the "Great Silk Road" which in ancient times linked the two continents. And it certainly would be of benefit not only to Kazakhstan but to the entire commonwealth to serve as a bridge between them.

In short, Kazakhstan, in my opinion, showed itself to be an authoritative player in the international arena, a state conducting a constructive, farsighted foreign policy.

Documents for Shutdown of Weapons Site Ready

PM2702165792 Moscow ROSSIYSKAYA GAZETA in Russian 22 Feb 92 First Edition p 6

[RIKA report under the "Environmental Problems" rubric: "Secret Vozrozhdeniye Island"]

[Text] The top secret bacteriological test site on Vozrozhdeniye Island in the Aral Sea will cease to exist.

A RIKA correspondent was informed at the parliamentary Committee for Environmental Questions and the Rational Use of Kazakhstan's Natural Resources that a juridical document has already been formulated which envisages the complete elimination of the test site. The actual implementation of the document will begin after all aspects of this act have been coordinated with the government of neighboring Karakalpakia, under whose jurisdiction the abused island comes. According to information from the international committee "Aral-Asia-Kazakhstan," which first demanded the immediate closure of the test site, the development and testing of bacteriological weapons on Vozrozhdeniye Island began after the Great Patriotic War. Between then and now not a single Kazakh public figure or journalist was allowed onto the secret island. Therefore, the republic's state organs and population knew practically nothing about what the military biologists were doing there.

'Unknown Facts' About Nazarbayev Detailed

PM2702133192 Moscow KOMSOMOLSKAYA PRAVDA in Russian 22 Feb 92 p 2

[Ye. Dotsuk and I. Sichka feature: "When He Plays the Dombra, All Around Him Sing. Nineteen Unknown Facts From N. Nazarbayev's Life"]

[Text] 1. During the election campaign the Uralsk authorities differed from the others in the informal way they greeted the leader. Along N. Nazarbayev's route from Uralsk to a sovkhoz on the edge of town they put up a yurt on the cold and windy steppe where a desperate couple waited more than an hour for the president with a two-day-old infant in their arms. The parents' patience was not in vain. A very embarrassed president christened the newborn baby Nursultanchik [little Nursultan] and expressed the wish that he would grow up healthy and happy, adding at the same time that the boy looked somewhat like himself.

2. As early as noon on the first day of the August putsch President Nazarbayev of Kazakhstan was already prepared to make a statement whose first paragraph characterized the events in Moscow as a coup d'etat. But several comrades from his entourage succeeded in persuading him that he should not rush into saying anything harsh. Now the full text of the president's statement is stored in the memory of a computer in an office in the presidential palace.

3. After it became known in Alma-Ata that the SCSE [State Committee for the State of Emergency] had been defeated, champagne was brought in to Nursultan Abishevich in his office and everybody there drank it at their workplace.

4. Nursultan Nazarbayev did not get into the Chemistry Faculty of the Kazakh State University at his first attempt.

5. From sources close to the Kazakhstan president it is known that the newspapers he prefers are KOMSOMOLSKAYA PRAVDA, IZVESTIYA, and MOSKOVSKIYE NOVOSTI.

6. Nazarbayev likes to sing and accompany himself on the dombra. As it turns out, everyone in his family likes to sing. You could see this on New Year's day: At the morning show which the president organized for orphaned children, he, his two daughters, his grandson, and his wife Sara Alpysovna stood beneath the New Year tree and sang together.

7. Asked about the president's health, his taciturn personal physician Volodya says laconically: "Bah!"

8. Nazarbayev first tried alcohol at the age of 20 when he treated his team when he received his first paycheck. He brought eight bottles of vodka between nine people in a shopping bag to a bar at the bazaar. He woke up 24 hours later in the team leader's house.

Nowadays N. Nazarbayev prefers Kazakh "Zhenis" brandy to other drinks. Although, according to eyewitness evidence, he also has good memories of traditional Russian vodka. At any rate, when Boris Nikolayevich was a guest at Nursultan Abishevich's house, they drank toasts in vodka.

9. N. Nazarbayev by no means immediately received Sara Alpysovna's consent to become his wife. She pondered for a long time whether she should accept his proposal, but now does not regret deciding to marry him. Now she takes pleasure in cooking her husband his favorite dishes: meat Kazakh-style and ravioli.

10. During his life Nazarbayev has experienced at first hand the results of the building of socialism. On his wedding day he brought his wife to the block where, as an activist and shock worker, he had been allocated an apartment on his wedding. The bridegroom was thunderstruck when he saw that the building had hardly got past stage one. So the Nazarbayevs spent their wedding night in the house of their friend's grandmother.

11. In her youth Sara Alpysovna was embarrassed by the fact that Nursultan, who was courting her, looked completely absurd in the baggy "kolkhoz" trousers he wore when he came to the city from the village.

12. Nazarbayev met with Brezhnev for the first time in 1980 when Leonid Ilich came to Alma-Ata for the republic's 60th anniversary. The general secretary looked depressing by that time. During a grandiose reception for 1,000 people, hardly had Kunayev proposed a toast to Marshal of the Party and Marshal of the Army Leonid Ilich, than the marshal suddenly stood up, went to the exit, and got into his car. Everybody realized that Leonid Ilich had once more forgotten where he had been brought and for what purpose. Nevertheless, the republic leadership immediately disappeared into their cars, and the motorcade headed off in a direction which was not on the itinerary.

13. When Ye. Ligachev presented N. Nazarbayev to K. Chernenko as the future youngest prime minister in all the republics, the only thing Konstantin Ustinovich asked was: "How old is he?" Then Chernenko stood up and tried to shake Nazarbayev's hand. But his legs suddenly gave way and they only just managed to grab him. "When you return, give my regards to the comrades," the general secretary said feebly as he took his leave. Nazarbayev returned and gave them.

14. The first time he went to Moscow after his appointment as prime minister his colleagues gave Nazarbayev friendly advice as to which of the Union ministers liked young pig and which liked fresh tomatoes during the winter.

15. During Boris Nikolayevich's last day on an official visit to Alma-Ata, he suddenly decided to dive into a shallow icy mountain river. In Nazarbayev's words, he "barred Boris' way and did not let him bathe." The final argument Nursultan used was to remind his comrade in arms about the signing of the Union Treaty the next day.

16. There was a tennis match between the two presidents during B. Yeltsin's visit to Alma-Ata before the putsch. According to the many fans, Nazarbayev beat his colleague, but Nazarbayev himself prefers to say that they tied.

17. Nazarbayev did not carry out a promise he gave to the miners: At one of the meetings he assured the workers that he would give up smoking. However, after the Minsk decisions of the "Slavic Threesome" he was seen smoking a cigarette on more than one occasion.

18. Nazarbayev learned of his grandson's birth when he was in East Kazakhstan Oblast, where he had gone to meet the cossacks. The conversation was difficult and heavy going. At this very moment an aide handed the boss a note saying that he now had a grandson. Nazarbayev read it aloud from the podium and requested those present to congratulate the grandfather, after which the cossacks relented.

19. It is possible that Nazarbayev found it easier to accept the ideas of the market than others did. When he was still a small boy, he frequently had to travel together with his father from the suburb of Chemolgan to the bazaar in Alma-Ata to sell potatoes and apples.

Supreme Soviet Renames Guryev City, Oblast

PM2802095392 Moscow IZVESTIYA in Russian 26 Feb 92 Morning Edition p 1

[Correspondent Vladimir Ardayev report from "From Our Correspondents and World Agencies" column: "Guryev No Longer Exists"]

[Text] Alma-Ata—The Kazakh Supreme Soviet Presidium has renamed Guryev Oblast Aterau Oblast and the city of Guryev the city of Aterau.

Kyrgyzstan

President Calls For 'Single Information Space'

LD2702144192 Moscow TASS in English 1411 GMT 27 Feb 92

[Text] Bishkek February 27 TASS—President of Kyrgyzstan Askar Akayev addressed officials of the local information service and all the journalists of Central Asia to revive a 'single informational space' in the Commonwealth of Independent States.

The local authorities intend to invite representatives of the biggest and best known newspapers, such as "IZVESTIA", "RABOCHAYA TRIBUNA" and "KOMSOMOLSKAYA PRAVDA", to discuss problems of the approaching "informational hunger" and work out principles of an information network in the territory of the former Soviet Union, according to the press-service of the Kyrgyz President.

Many of the central newspapers are not available in the area at present, the Central Television and Moscow Radio programmes are soon likely to be reduced to two hours a day.

It is necessary to preserve the Institute of Central Newspapers' Correspondents and avoid the destruction of the existent information links, the local journalists emphasised.

Parliament Appoints Akulov New Vice President

OW2702170392 Moscow INTERFAX in English 1351 GMT 27 Feb 92

[Transmitted via KYODO]

[Text] The Kyrgyz parliament has today approved the appointment of Felix Akulov as Vice-President of the republic. Akulov was proposed for the post by President Askar Akayev who thinks vice-presidency is necessary to coordinate the work of law-enforcement bodies and handle the organization of national guards and other defense matters.

Felix Akulov was born in 1948 and was educated at the Omsk Police Higher School and the Academy of the USSR Interior Ministry. Since 1966 he has been working in the police, mainly in drug departments. In 1987-89 he was First Deputy Interior Minister of Kyrgyzstan, and in 1991-92, the republic's Interior Minister.

Army General in Favor of Joint CIS Forces

LD2802093892 Moscow POSTFACTUM in English 1719 GMT 27 Feb 92

[From the "Military News" Section]

[Text] Bishkek—Chairman of Kyrgyzstan's committee on defense: The issue of creation of the own Army is not the current problem in the republic. The chairman of the

Committee on the Defense Major General Zhanybek Umetaliyev who was appointed on this post on February 26 also told PF [POSTFACTUM]: The republic leaves the right for creation the Army to itself. Everything will depend on further development of the situation around the Army. In his words, Kyrgyzstan tends to forming the collective defense bloc of CIS. We would like CIS to have single Armed Forces, Umetaliyev said. Before the certain conventions are concluded by the CIS members, combat technique, weapons, military munition located at the republic's territory is solely its property. No one tank or combat machine as well as other kind of armament cannot be brought out of Kyrgyzstan without being complied with the State Defense Committee. Troops transfer or troops training as well cannot take place without republic's military department sanction, believes Umetaliyev.

Zhanybek Umetaliyev is 49 years old. He was born in Bishkek, in 1964 graduated the Ussuriisk High Military Motor Command College. Served at various posts in Far Eastern, Transcaucasian, Central Asian, Moscow and Turkmen military districts. In 1975 was one of the best to graduate military academy named after Frunze. Prior to the current post he worked as civil defense chief of Kyrgyzstan. Married, got two children.

Kuwaiti, French Delegations on Official Visits

OW2702194692 Moscow INTERFAX in English 1630 GMT 27 Feb 92

[Transmitted via KYODO]

[Text] A government delegation from Kuwait led by Finance Minister 'Abdallah al-Ridan is expected to arrive in Bishkek today (February 27). It includes the general director of the Kuwaiti Development Foundation, Badir Mashari al-Ahmedi [name as received], officials from the Trade and Industrial Chamber and executives from oil companies. Al-Ridan is planning to meet Kyrgyz President Askar Akayev and members of the Kyrgyz government. It is expected that the sides will mainly discuss credits to be given to Kyrgyzstan by the Kuwaiti government and Kuwaiti investments to be made in the republic.

Meanwhile another visit is expected in Bishkek, that of the French State Minister, Alain Vivien, who is coming tomorrow (February 28) to sign documents on the establishment of diplomatic relations between France and Kyrgyzstan.

Ties Established With France

OW2802125992 Moscow INTERFAX in English 1100 GMT 28 Feb 92

[Transmitted via KYODO]

[Text] Kyrgyzstan and France established diplomatic relations Friday [28 February]. A protocol, signed in Bishkek by Kyrgyz Foreign Minister Roza Atunbaeva [name and title as received] and France's state minister [title as received] Alain Vivien, provides for embassies to be opened in France and Kyrgyzstan.

Vivien said that France closely watched the transformations underway in the Central Asia. He said that Kyrgyzstan "was undertaking major economic and democratic reforms and the new democratic government shares the French approach to building democratic institutions." He also spoke in favor of cultivating bilateral economic and cultural relations.

On the same day the French guest was received by Kazakhstan's [as received] President Askar Akayev. Akayev expressed willingness to sign in the future an agreement on interstate cooperation and expressed the hope that Kyrgyzstan "would be able to build comprehensive mutually beneficial relations with France."

Diplomatic Relations Established With Egypt

LD2702215592 Moscow TASS International Service in Russian 1650 GMT 26 Feb 92

[Text] Moscow, 26 Feb (ITAR-TASS)—The information bureau of the embassy of the Arab Republic of Egypt in Moscow has reported that Egypt has established diplomatic relations with the Republic of Kyrgyzstan.

Agricultural Prospects in Country Viewed

PM2802133692 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1800 GMT 25 Feb 92

[From the "Novosti" newscast: Report by V. Fedorov]

[Text] [Announcer] Emergency measures to carry out the spring field work are being taken in Kyrgyzstan.

[Fedorov] In our mountain region winter is also followed by spring. For the local agricultural strategists this a natural disaster every time, as though they had only just been born. The remedy for disaster is well known: emergency staffs. Right now they must urgently get hold of fuel, spare parts, and seeds and determine how much to sow and where. The package of presidential decrees on land reform has not yet created a class of owners. Many knights are at the crossroads. Privatization is complicated by problems of a tribal and ethnic nature. On the other hand, the process of sovereignization has proceeded successfully: Each team is striving to become an individual collective farm with its own chairman, accountant, and cashier. The main principle is that during distribution each person should become his own man. They are rapidly changing horses in midstream: cadres upheavals are causing turmoil at the Ministry of Agricultural Production. The outlook for the harvest is

hazy. Can the Kyrgyz peasant feed the republic? If he is indeed entirely free. Convincing proof is provided where they have been able to go out onto the foreign market. An example is the former Intomat [as heard] collective farm, Dzhalal-Abad Oblast, now an association of peasants' agricultural cooperatives and small enterprises. Together with Italian and Japanese firms the previously loss-making cotton, fruit, and vegetables have been made a profitable business here inviting the expansion of production.

Armenia

President Urges World Pressure on Azerbaijan

LD2702135992 Berlin ADN in German 1310 GMT 27 Feb 92

[Excerpt] Yerevan/Stepanakert/Prague (ADN)—Armenian President Levon Ter-Petrosyan has appealed to international organizations and the leaders of 14 states to commit themselves to a solution for the conflict in Nagorno-Karabakh. A message carried today by the news agency INTERFAX, which is also directed at U.S. President George Bush, says, among other things, that the government in Baku can not be allowed to destroy the "delicate balance of power" in the crisis area. The Azerbaijani leadership must give up its plan to form its own armed services. The UN, CSCE member countries, the European Community and the Commonwealth of Independent States should undertake efforts to find suitable opportunities for mediation in the conflict.

In the opinion of Ter-Petrosyan, this would be the first step toward putting together a plan for a peace settlement that is acceptable to all sides. The governments of Russia and other CIS states are urgently called upon to prevent the misuse of weapons of the CIS armed forces by Azerbaijan. The leadership of Nagorno-Karabakh will announce a 24-hour cease-fire if Azerbaijan is prepared to stop all fighting for a limited period. Armenia would propose this to the government of the autonomous area. The adherence to the cease-fire has to be controlled by international observers.

The 72-hour cease-fire which was agreed in the conflict over the Caucasian mountain province has not lasted one day. [passage omitted]

Minister Praises Iran's Mediation Efforts

LD2802120892 Moscow TASS International Service in Russian 1141 GMT 28 Feb 92

[By ITAR-TASS correspondent Tigran Liloyan]

[Text] Yerevan, 28 Feb (TASS)—Iranian Foreign Minister 'Ali Akbar Velayati, who is in Yerevan, has expressed regret that he was unable to visit Nagorno-Karabakh, drawing attention to the fact that Iran's mediatory initiative is a goodwill mission and takes into consideration the interests of all sides involved. This was reported to an ITAR-TASS correspondent by the press secretary of the Armenian Foreign Ministry following talks today between the head of the Iranian diplomatic department and his Armenian colleague Raffi Ovannisyan. According to the press secretary, the Armenian side had set out its approaches to a solution to the Nagorno-Karabakh crisis and highly appraised Iran's mediatory efforts to seek ways to a political settlement to this problem.

A meeting is now going on at the government house between 'Ali Akbar Velayati and Gagik Arutyunyan, the Armenian vice president and head of the republican government. Questions of political and economic cooperation between the two countries are being discussed.

It has been officially announced that Armenian Foreign Minister Raffi Ovannisyan is leaving today for New York to take part in the UN General Assembly session where the republic is due to be accepted into the international community. In this connection, the head of Iran's Foreign-Political Department expressed readiness to render assistance to the emissaries of Armenia at the current, initial period of its membership in the United Nations.

Minister Denies Country Receiving Foreign Aid

LD2802164792 Moscow TASS International Service in Russian 1535 GMT 28 Feb 92

[By ARMENPRESS-TASS correspondent]

[Text] Yerevan, 28 Feb (TASS)—Armenian Defense Minister Vazgen Sarkisyan has described as "absurd" the rumors widespread here about Turkey's and Iran's involvement in supplying the Azerbaijani Army with shells for "Grad" installations. In an interview with the ARMENPRESS correspondent, he said that the dissemination of such rumors is advantageous to the forces which are trying in every possible way to hinder the process of establishing political and economic cooperation between Armenia and its neighbors—Iran and Turkey.

Ministry Calls on Officers To Return, Form Army

NC2702170192 Yerevan Radio Yerevan Network in Armenian 1500 GMT 27 Feb 92

[Statement issued by the Armenian Defense Ministry to "all Armenian officers," in Yerevan; date not given]

[Text] Esteemed compatriots and brothers: We appeal to you at a fateful moment for our people and our country. The colonialist war unleashed by Azerbaijan against the Armenian population of Nagorno-Karabakh is threatening Armenia today. Large numbers of Azerbaijani troops are moving closer to the Armenian-Azerbaijani border. Armenian border settlements are being targeted and some have come under artillery fire in the last few days.

Bandit attacks on the CIS United Armed Forces stationed in Azerbaijan are continuing and large amounts of modern weapons and ammunition are being seized. Azerbaijan is (?gaining) the potential to wage extensive military operations. This alarms us.

In view of the current situation, the Armenian Defense Ministry has decided to create a national army. Only a regular army formed on the basis of military sciences can guarantee our security now and in the future.

Therefore, in the name of the fatherland, we inform you, Armenian officers and brothers, that the fatherland

needs the military [word indistinct] and expertise now more than ever. Return to the fatherland, take part in the creation of the fatherland's army, become its commanders and officers. Do not be afraid of difficulties, they can and will be overcome. Rest assured that the Armenian people and the Armenian Government will take care of you and your families.

Young People Unwilling To Serve in Army

OW2702174392 Moscow INTERFAX in English 1330 GMT 27 Feb 92

[By diplomatic correspondents M. Mayorov and I. Porshnev; from "Diplomatic Panorama"; transmitted via KYODO]

[Text] At a time when the Turkish army is engaged in maneuvers in regions adjoining Armenia, Armenia's government is inadmissibly slow in its efforts to form a national army; it relies on the joint CIS forces in vain, said the newspaper "Erkir" published by the nationalist party "Dashnak Tsutiun". The paper notes that young Armenians are unwilling to serve in the army. It quotes Armenia's military commissar Levon Stepanian as saying that it's necessary to adopt as soon as possible a law on conscription and a law on the army.

Ministry Establishes Zones for Reporters

OW2702174692 Moscow INTERFAX in English 1330 GMT 27 Feb 92

[By diplomatic correspondents M. Mayorov and I. Porshnev; from "Diplomatic Panorama"; transmitted via KYODO]

[Text] Together with Armenia's Foreign Ministry the parliamentary commission on the press and information worked out rules for the permanent and temporary accreditation of foreign reporters in Armenia. From now on the press center of Armenia's Foreign Ministry will be responsible for this.

As DP's [Diplomatic Panorama's] correspondent learned from Garnik Badaliant press secretary of Armenia's Foreign Ministry, the accreditation will be carried out on the basis of written requests for a period of 3 or 12 months with subsequent prolongation. Accreditation is not obligatory for reporters who come to Armenia for less than 7 days. Nevertheless such reporters must get registered at the press center of the Armenian Foreign Ministry.

Armenia is setting up a number of closed zones. To visit such zones newsmen will have to request permits from the Foreign Ministry's press center. This relates to Armenia's border regions, the area of the nuclear power plant, closed facilities, and the like. It has been announced that the Foreign Ministry might deny accreditation in view of Armenia's interests without explaining why.

Scientist Calls For Restarting Nuclear Plant

LD2702145892 Moscow TASS in English 1053 GMT 27 Feb 92

[By ARMENPRESS correspondent Boris Kyufaryan]

[Text] Yerevan February 27 TASS—Moscow professor Armen Abalyan, a nuclear power specialist, has called for immediate work to restart the Armenian nuclear power plant.

Abalyan heads a sectoral institute in Moscow. Together with British scientist Lord Marshall, he visited Yerevan where he met Armenian President Levon Ter-Petrosyan.

Abalyan draws his categorical conclusions from the world practice, pointing out that the Armenian station differs fundamentally from the Chernobyl plant. He said the technology offered by the British side would make the plant far more reliable than its analogues in Bulgaria, Finland and even Japan where, like in Armenia, seismicity is rather high.

Armenia is plagued with a severe energy crisis due to the shortage of fuel. Virtually its entire industry is at a standstill. The nuclear power station can not only cover this shortage but also yield profits from the sale of surplus electric energy.

Azerbaijan

CIS Regiment Ordered Out of Nagorno-Karabakh

LD2802143192 Moscow Mayak Radio Network in Russian 1400 GMT 28 Feb 92

[Text] The commander in chief of the CIS Joint Armed Forces has ordered the 366th regiment to be withdrawn from the territory of Nagorno-Karabakh and all border troop subunits to be removed from the administrative border between Armenia and Azerbaijan. We learned this a few minutes ago from Lieutenant Colonel Medvedev, head of the CIS Joint Armed Forces Press Center.

Further on Shaposhnikov Order

LD2802151792 Moscow Mayak Radio Network in Russian 1441 GMT 28 Feb 92

[Telephone interview with Lieutenant Colonel Nikolay Yakovlevich Medvedev, acting head of the CIS Joint Armed Forces press center, by unidentified correspondent on 28 February—live or recorded]

[Text] [Medvedev] Marshal of Aviation Shaposhnikov, commander in chief of the Joint Armed Forces, today sent Azerbaijan President Mutalibov, Armenian President Ter-Petrosyan, Colonel General Patrikeyev, commander of the troops of the Transcaucasian Military District, and commanders of the Fourth and Seventh Armies of the Transcaucasian Military District a telegram that notes that, despite the measures that are being

taken, the situation around Nagorno-Karabakh shows no sign of moving toward a peaceful settlement and military operations are being escalated. The criminal actions involving the seizure of equipment, arms, and ammunition from military facilities are being accompanied by innocent people being killed and maimed. This year alone eight servicemen lost their lives on the Azerbaijani territory; 22 were wounded and 28 were seized as hostages.

Instances of insulting behavior are not infrequent. A similar negative phenomena took place on the territory of both states last year and the year before last. By and large, those guilty of this escape with immunity while the law protection bodies take the line of noninterference. Marshal Shaposhnikov appealed to the presidents of both independent states to take all measures so as to return to the Joint Armed Forces the seized equipment, arms, and ammunition, to prevent illegal actions against servicemen and their families, and to bring the instigators and perpetrators of the illegal acts to justice.

Yevgeniy Ivanovich expresses the hope that the whole arsenal of the prestige and the political influence of the presidents will be used to settle the conflict peacefully. The commander in chief issued an order to the commanders of the troops of the Transcaucasian Military District, the Fourth and Seventh Armies, deployed in Armenia and Azerbaijan to step up the protection of military camps, storage facilities, and other military facilities, to prevent unauthorized persons from gaining access to them and to resolutley rebuff attacks on military facilities. If the seized equipment, arms, and depots fail to be returned, measures are to be taken to destroy them where they are located following established procedures, without harm to civilians.

The commander in chief ordered that the 366th Motorized Rifle Regiment be withdrawn from the territory of Nagorno-Karabakh and that all outposts [zastava] be removed from the administrative frontier between Armenia and Azerbaijan. Marshal Shaposhnikov has demanded of the commanders that all questions of vital supplies for the troops be tackled in close contact and interaction with representatives of the legally elected or appointed bodies of authority.

[Correspondent] Thank you, but, if possible, please repeat this phrase: The commander in chief has ordered to withdraw—it is very important information, I fear I did not quite get it.

[Medvedev] The commander in chief has ordered that the 366th Motorized Rifle Regiment, deployed in Stepanakert-Khankendy, be withdrawn from the territory of Nagorno-Karabakh and that all outposts be removed from the administrative frontier between Armenia and Azerbaijan.

[Correspondent] Thank you very much, your news was very important.

Regiment Said Against Azerbaijan

LD2802121692 Moscow Mayak Radio Network in Russian 1100 GMT 28 Feb 92

[Text] Iranian Foreign Minister Velayati arrived in Yerevan today. Let me remind you that he is in the Transcaucasus on a peacemaking mission. The proposal to cease-fire for 25 hours was adopted in Baku with his participation. Subsequently, there was the agreement to extend the armistice to three days. However, judging by everything, these agreements are not being observed. As Agayev, the Azerbaijani president's press attache reported over the telephone today, fierce battles continued in the region of Khodzhaly throughout last night. There are many killed and wounded on both sides. The Azeri side reckons that the CIS' 366th Motorized Rifle Regiment is taking part in the war operations on the Armenian side. Andronov, Russian parliament's deputy, arrives to visit this regiment today at the instruction of the Russian Supreme Soviet. He is to look into the role of this regiment in the Armenian-Azerbaijani conflict.

Regiment's Role in Khodzaly

OW2702183792 Moscow INTERFAX in English 1630 GMT 27 Feb 92

["What is Being Hidden in the Maneuvers of the 366 Regiment?"—INTERFAX headline; transmitted via KYODO]

[Text] During the night of February 25 Khodzhaly, the second to last Nagorno-Karabakh village with Azeri inhabitants, was taken. Following an official order from the commander of the Caucasian military district for the 366 regiment to take part in the military operations the village was surrounded and is being methodically destroyed. The units stationed in the Republic acted on an order received from Marshal Shaposhnikov, Lieutenant Colonel Ayaz Namedov of Azerbaijan's Ministry of Defence told "Interfax". The order stated that "move from your positions, pull out all weapons, and in instances where this is not possible destroy everything". "The forces of the generals units of the CIS subdivision of the Soviet Army are completely involved in the conflict between two sovereign states", Mamedov continued. The consequences may be unexpected. It is obvious that the commanders of the dying, dissolving Soviet Army resorted to this out of self preservation. They aim to spur on a full-fledged war in the Caucasus region which will gradually involve all adjacent nations including Russia, Turkey and Iran. It is also possible that individual anit-Yeltsin forces are relying on turning democratic Russia into a new Afghanistan.

Velayati Reportedly Forced To Return to Baku

NC2802074992 Baku Radio Baku Network in Azeri 0430 GMT 28 Feb 92

[From the "Morning Information Program" by commentator Seyyad Aghdabaly]

[Excerpt] [passage omitted] As reported earlier, Iranian Foreign Minister 'Ali Akbar Velayati has arrived in our republic to help resolve the Nagorno-Karabakh dispute. He arrived in Baku and held talks with President Ayaz Mutalibov. Velayati was to have traveled to the Karabakh mountains and then to Armenia. It was impossible to predict the outcome of his visit.

The two sides agreed to a cease-fire from 0900 on 27 February to 0900 on 1 March. We will keep you informed on events during this time. The Dachnak Armenians set fire to Khodzhaly city on 26 February and then Armenian President Ter-Petrosyan appealed to 15 countries, saying the Armenians were ready for a cease-fire. What did he mean? It is impossible to understand what he said. We believe that the war has gone beyond the Karabakh mountains. Armenian military units have been firing intensely on Azerbaijan's Fizulinskiy, Tertserskiy, Lachinskiy, Kubatlinskiy, and other rayons. The war is continuing.

I have just received an AZERINFORM report: Foreign Minister 'Ali Akbar Velayati and the officials accompanying him remained in Gendzha city for some time. Their scheduled flight to the Karabakh mountains before 0900 on 27 February was postponed. Anatoliy (Zavatokin), commander of the CIS military helicopter (?unit) based in Gendzha, disclosed that it was impossible to guarantee the flight's safety, despite the moratorium, nevertheless the Iranian officials said that they did not intend to miss visiting Shusha and Khankendy [Stepanakert] at least. Regrettably, Foreign Minister 'Ali Akbar Velayati and his delegation had to return to Baku last night after being unable to travel to Shusha and Khankendy

Velayati replied to journalists' questions at Baku Airport. He has again been unable to see our towns, which have been razed to the ground, and our people, who have been [words indistinct]. He was not given the opportunity. [passage omitted]

Attacks Resume, Both Sides Suffer Casualties

OW2702182292 Moscow INTERFAX in English 1630 GMT 27 Feb 92

[Transmitted via KYODO]

[Text] Thursday [27 February] morning the Azeri national army resumed the attack on the eastern part of Nagorno-Karabakh. The Lur news agency reports that the attacking forces include several thousand Azeri soldiers, supported by scores of tanks, armored carriers and four MI-24 combat helicopters. Both the Azeris and Armenians have been taking casualties.

The resumed fighting forced the Iranian foreign minister to give up his plans to visit Nagorno-Karabakh Thursday and he returned to Baku.

A truce had been reached on the previous day, to be in effect from 10:00, February 27, in connection with the planned visit by the Iranian minister.

The attack is on, says the Lur, along the entire boundary between the Askeran district of Nagorno-Karabakh and the Agdam district of Azerbaijan.

The Nagorno-Karabakh Supreme Soviet press center said that the weapons, including the helicopters supporting the attack, had been transferred to Azerbaijan by the CIS command.

The Armenian national army is shelling the villages near Agdam, Azerbaijan, said Ramiz Melikov, chief of the Azeri Defense Ministry press-service, to IF [INTERFAX]. "Units of the Armenian national army and the 366th motorized infantry regiment are concentrating, apparently for a thrust to Agdam," said he.

Azerbaijan claims that the regiment had taken part in the storm of Khodzhaly on the night of February 26.

The Azeri National Security Ministry quotes its sources in Stepanakert (Khankendy) as saying that a special party is being formed to capture Shusha, "the last Nagorno-Karabakh town having Azeri population."

Situation 'Somewhat' Stabilized

LD2702180192 Moscow TASS International Service in Russian 1707 GMT 27 Feb 92

["Shooting Has Ended in Nagorno-Karabakh"—TASS headline]

[Text] Moscow, 27 Feb (ITAR-TASS)—After battles during the day, the situation in Nagorno-Karabakh's Askeranskiy rayon has stabilized somewhat. An ITAR-TASS correspondent was told this on the telephone by Militia Colonel Armen Isagulov, head of the Internal Affairs Directorate of the Nagorno-Karabakh Republic. By evening the shooting on the border with Azerbaijan's Agdamskiy rayon had ended.

Meanwhile, nothing is known in Nagorno-Karabakh about the expected arrival of Iranian Foreign Minister 'Ali Akbar Velayati on a mediation mission. As is known, it was for this reason that the 72-hour ceasefire—which was broken this morning—was reached.

Stepanakert 'Totally Destroyed'

LD2702231192 Moscow Russian Television Network in Russian 2000 GMT 27 Feb 92

[From the "Vesti" newscast]

[Excerpt] The truce did not come into effect in Nagorno-Karabakh at 0900. Stepanakert today is a totally destroyed town. There was no water, electricity, and heat supplies today. Virtually no one is coming out of their cellars. In the past five days over 1,000 missiles have been launched at the town from Grad rocket emplacements. Whereas the shelling previously had a primarily

psychological effect on the inhabitants, the firing now is aimed at annihilation. If one takes into account that Stepanakert is within direct sight of Azerbaijani artillerymen in Shusha, then the town's total destruction is just a question of a few days.

Rescue work is paralyzed because of the lack of gasoline for equipment. No count is being made of the dead under the ruined houses because the destruction is too great. If the shelling of Stepanakert does not cease in the next few days, Armenia may, as a response and a forced measure, storm Shusha. In that case, there certainly will be a large number of victims among the civilian population.

The regiment of CIS troops in Stepanakert, which is often mentioned in the mass media, taking account of the dead, wounded, and deserters as well as the destruction caused by salvos fired from Grad emplacements, is in a lamentable state. The commanders are doing all they can to save the lives of the remaining soldiers.

The latest peace talks have broken off again. Every additional day of war, every shell fired, every person killed, makes a peaceful outcome of events increasingly illusory.

In the press center of the main command of the CIS Armed Forces today, our correspondent once again was assured that there has not been any transfer of former Soviet Army weapons to the Azerbaijani and Armenian sides. There has only been seizures. The press center also opined that a truce has not been established because there are two types of groupings on both sides; namely, those who are obeying the authorities and those who are ignoring their decisions. The former precisely are observing all of the conditions, while the latter are continuing to carry out combat operations. [passage omitted]

Agdam Refugees on Situation

OW2702184892 Moscow INTERFAX in English 1630 GMT 27 Feb 92

["After Khodzhaly, Lining Up for Shusha, But Why?"—INTERFAX headline; transmitted via KYODO]

[Excerpt] Reports from the prefect and commandant of Agdam on the Azeri city of Khodzhaly was taken by the 366 regiment assisted by the Armenian National Army. Refugees arriving in Agdam from Khodzhaly said that during the attack on the city there were more than 2 thousand civilians there. Their fate is still unknown. Only 100 refugees arrived in Agdam. The director of the press center of the Azeri Ministry of Defence Ramiz Melikov told "INTERFAX" that a subdivision of the Armenian National Army and the 366 regiment are heading toward Agdam. Surrounding villages continue to be fired upon despite a moratorium. The Armenians assisted by technicians from the 4th Army are conducting covering installations. According to the news center of the People's Front of Azerbaijan, the 1st batallion of the 3rd regiment of the 232rd division of the 4th army was moved to Khankendy from Gandzhe. The Azeri Ministry of National Security reports that a storm division is being formed in Khakendy to take the last city in Nagorno-Karabakh with an Azeri population, Shusha. Military helicopters from Gandzhe have been transporting forces and weapons to Khankendy. In addition the Ministry of National Security from the Gorisskaya region of Armenia said that the Armenian National Army has developed a detailed tactical plan of action continuing after the capture of Shusha. The Armenian Army and the 7th army of the CIS plan to cut a path through Lachin giving them free passage to Khankendy and other cities in the Nagorno region of Nagorno-Karabakh. Forces are gathering in around Lachin. The purpose of this operation is clear: Armenia, which, due to a lack of fuel is unable to supply its nearly 50 thousand mercenaries who have occupied Nagorno-Karabakh with necessary provisions via air has decided to reach them via trucks and has thus broken a path through Lachin. In addition if the operation succeeds it will be impossible for the Azeris to beat back the Armenian forces. This is the assesment of the situation by members of the analytical department of the Ministry of National Security of Azerbaijan. [passage omitted]

Armenian Forces Occupy Positions

LD2802140192 Moscow Radio Rossii Network in Russian 1300 GMT 28 Feb 92

[Text] According to a SNARK agency report, Armenian self- defense detachments have kicked out the units of the Azerbaijani army from the commanding heights near the rayon centers of Askeran and Mardakert. Shelling of the rayon centers from Grad artillery installations and other equipment had been conducted from those heights. A Grad installation was seized by Armenian guerrillas in the village of Khodzhaly, which they occupied early this week.

Meanwhile Vagiz Rustamov, press secretary for the Azerbaijani president, said on 27 February in Baku that, according to his information, Armenian detachments in Nagorno-Karabakh were preparing to storm Shusha. In an interview with an AFP correspondent, Rustamov specified that Armenian units were also preparing to break through to Nagorno-Karabakh from Armenia. He maintained that up to 2,000 fighters were concentrated in the village of Gekh in Armenia, 15 km from the border with Nagorno-Karabakh.

Update on Events

OW2802123192 Moscow INTERFAX in English 1100 GMT 28 Feb 92

[Transmitted via KYODO]

[Text] Last night in Nagorno-Karabakh was relatively calm, for the first time in many months. Fighting took

place only outside the village of Nakhichevanik in Askeran Region. Armenian units recaptured a height dominating the village the Azeris seized on Thursday [27 February]. In the rest of Nagorno-Karabakh and on the border between Armenia and Azerbaijan only inconsiderable fire exchanges occurred, said both Armenian and Azeri sources.

IF [INTERFAX] learned from the internal affairs department of Agdam Region that as a result of negotiations the Armenians handed to the local authorities some 100 women, children and old people captured by Armenian units during the storming of the city of Khojaly Tuesday [25 February] night.

According to the latest data supplied by sources in Yerevan, in Khojaly the Armenians seized a multiple missile launcher with ammunition.

On Wednesday the warring sides reached an agreement on ceasing fire between February 27 and March 1 to enable the 'ranian Foreign Minister 'Ali Akbar Velayati who had arrived in Azerbaijan on a peacemaking mission to visit Nagorno-Karabakh. Nevertheless on Thursday the shooting continued and Velayati flew from Baku to Yerevan Thursday evening, having failed to visit Nagorno-Karabakh.

CIS Troops Deny Chemical Weapons Possession

LD2802083792 Moscow TASS in English 0821 GMT 28 Feb 92

[By ITAR-TASS correspondent Roman Zadunajsky]

[Text] Moscow February 28 TASS—Former Soviet troops deployed in Nagorno-Karabakh do not possess a single chemical weapon, a spokesman for the CIS Armed Forces told TASS on Friday [28 February]. He denied "sensational" reports of several mass media that Nagorno-Karabakh might become another Chernobyl as the military possess chemical weapons there.

Unstable Situation Postpones Arms Transfer

PM2802094192 Moscow KRASNAYA ZVEZDA in Russian 22 Feb 92 p 2

[Major K. Litvinov report: "Azerbaijan's Demands Are Tough, But As Yet Unacceptable"]

[Text] Tbilisi—As already reported, talks have been held in Baku between a CIS Joint Armed Forces delegation and representatives of Azerbaijan. The question of handing over general-purpose units and large units to the republic's control was discussed. Lieutenant General Yu. Grekov, first deputy commander of the Transcaucasus Military District, participated in the talks. Asked to share his impressions of the talks, he stated the following:

"Azerbaijan has agreed to transfer only its Air Defense Army to the CIS Joint Armed Forces; even so, it wants to take for itself the subunits that support this army. The republic also intends to obtain most units and subunits, with the exception of missile units and subunits and one special-purpose brigade. I must note that the question of transferring subunits and units, as well as the question of the deadlines for transferring them, is being raised in the form of an ultimatum. I would not describe the meeting in Baku as talks. On our side it was more like a study of the Azerbaijani side's demands. Apart from everything else we naturally also studied the mood of officers in units and subunits. The results of the talks were discussed at a session of the Transcaucasus Military District Military Council. We came to an unequivocal conclusion: In the light of the prevailing situation in Nagorno-Karabakh, in no circumstances must arms and equipment be handed over to Azerbaijan before disputed questions with Armenia have been resolved by political means, Otherwise we will witness an escalation of tension in the region. We do not have the moral right to hand over arms and equipment to the republic in the prevailing situation. Do you want to know the officers' opinion? Officers say that, of course, if an order to hand over arms and equipment is received, we will carry it out, but on condition that our families and property are transported elsewhere first.

"What is the Azerbaijani side's reaction to the district command's position?" Lt. Gen. Grekov went on. "Officially we have not yet reported our position to the Azerbaijani side. We have stated our position only to the CIS Joint Armed Forces leadership, the Russian president, and the CIS Joint Armed Forces General Staff."

Georgia

Government Cooperating With Former Soviet Troops

LD2702205692 Moscow Mayak Radio Network in Russian 1540 GMT 26 Feb 92

[Report from Tbilisi by journalist Zurab Dvali of IPRINDA news agency]

[Text] A news conference was given today by Colonel (Vasiliy Fedorovich Belchenko), chief of the information department of the Transcaucasus Military District, at the district headquarters. Mind you, it was more like a heart-to-heart talk with journalists about the army's pressing problems.

The Soviet Army colonel noted with satisfaction that the command of the Transcaucasus Military District is developing normal and constructive relations with the new government, in contrast with its relations with the republic's former leadership.

In answer to an IPRINDA agency correspondent, who asked whether units of the former Soviet army intend to hand weapons over to Georgia, Belchenko noted that such a willingness exists, although at present, in his view, there is nobody to hand weapons to.

He stated that the leaders of the Transcaucasus Military District are willing to assist in the negotiations between representatives of South Ossetia and Georgia.

On the conflict in Nagorno-Karabakh, Belchenko said that the Transcaucasus Military District is not interfering in the internal affairs of either Azerbaijan or Armenia. There are, however, incidents of military units coming under fire on the territory of the Nagorno-Karabakh Republic. Despite this, the soldiers are not firing back because the firing comes by and large from populated areas.

Asked by an agency correspondent to confirm a report that Zviad Gamsakhurdia has arrived in Georgia from Groznyy, the chief of the information department of the Transcaucasus Military District replied that, according to available information, not a single aircraft flying out of Groznyy in the last few days has landed in Georgia.

Let us hope that the counterintelligence service of the Transcaucasus Military District is not wrong and that the rejoicing at Zviad Gamsakhurdia's return by the ex-president's supporters is premature.

Guard Seeks To Unite Paramilitary Forces

MK2702120492 Moscow NEZAVISIMAYA GAZETA in Russian 27 Feb 92 p 3

[Report by Nikoloz Gabrichidze: "Georgia: Republic Needs Single Army. That Is What Former and Current Commanders of National Guard Think"]

[Text] With the coming of spring the frail stability that Georgia's new authorities secured in February is starting to melt along with the unexpected snow that fell at the end of the winter.

Recent events indicate that President Gamsakhurdia's supporters are gradually getting over the shock of their idol's sudden overthrow and the vigorous action taken by the Military Council. They have succeeded in organizing fairly powerful opposition to the new authorities in Abkhazia and some parts of western Georgia. Taking advantage of their weakness, rival bandit groups roving Georgia's provinces have stepped up their activity. Conflicts are increasing between the numerous armed formations that emerged in January and February, which do not have a single command and are therefore operating in a disjointed way.

Gamsakhurdia's supporters have formed mobile, well-armed detachments. There are reports that "Zviad's men" are receiving weapons and combat hardware through at least three channels.

A conference of representatives of all paramilitary organizations 24 February at the National Guard's headquarters was devoted to setting up a single military structure and stopping the armed formations' uncontrolled activity. However, only commanders of National Guard subunits directly under Tengiz Kitovani's jurisdiction turned up for the meeting. The gathering was told that Georgiy Kvarkvarashvili, who was previously in charge of the National Guard subunit in western Georgia, has been appointed commander of the National Guard. Kitovani becomes a deputy prime minister and will henceforth take care of all the republic's armed forces. In his statement Kvarkvarashvili noted that he considers it necessary to take the following steps to secure stability in Georgia: transfer all guard subunits to barracks, exercise tight control over the National Guard formation, eliminate the over-diffuse network of military commandants' offices that have become seats of crime in certain areas, and disarm numerous the armed groups that are putting pickets on city highways and streets on their own initiative. Both Kitovani and Kvarkvarashvili stressed that all paramilitary formations must be amalgamated into a single army. Kitovani said that agreement has almost been reached with "Mkhedrioni" leaders on disarming that formation and transferring it to the guard's jurisdiction. According to Kitovani, agreement is also to be reached in the near future with the command of former USSR internal troop units stationed in South Ossetia on these subunits gradually leaving South Ossetian territory. The situation in this region will be controlled by the National Guard.

Gamsakhurdia's Supporters Active in Sukhumi

OW2702192592 Moscow INTERFAX in English 1630 GMT 27 Feb 92

[Transmitted via KYODO]

[Text] Supporters of the overthrown Georgian President Zviad Gamsakhurdia held another meeting in Sukhumi today (February 28 [as received]). According to some estimates they numbered about 1,000. The speakers criticized the decision of the Abkhazian parliament to introduce special regulations for this autonomous republic forming part of Georgia, describing it as "infringement on democracy."

Zviadists have already done enormous damage to the Abkhazian economy. Traffic along the Sukhumi railway and many factories have been stopped. There are serious food shortages in Sukhumi as well.

'Terrorist' Acts Result in Limited Rail Service

AU2702161792 Tbilisi Radio Tbilisi Network in Georgian 1400 GMT 27 Feb 92

[Statement issued by the Transcaucasian Railway Administration; place and date not given]

[Text] Recently there has been a considerable deterioration in rail service to the [western] regions of Samegrelo and Abkhazia, due to terrorist acts committed by criminal elements. As a result of explosions and (?diversions), railway bridges, railway lines, power lines, and various other means of communications have been put out of operation. According to preliminary reports, the damage amounts to 20 million rubles. A large amount of freight

has been stolen. Railway workers involved in restoration work are being threatened with physical harm and with having their homes burned.

Therefore, a decision has been adopted to the effect that until the situation stabilizes and until railway lines and other communications have been restored, train services should be halted between (name indistinct) and Gantiadi [town on border betwen Abkhazia and Krasnodarskiy Kray]. Further information on the renewal of train services will be provided.

No Trains to Russia

OW2702173392 Moscow INTERFAX in English 1351 GMT 27 Feb 92

[Transmitted via KYODO]

[Text] The Transcaucasian Railway Administration has informed IF [INTERFAX] that no passenger trains will for a while be going from Georgia to Russia. Traffic will not be resumed until the situation is stabilized in western Georgia and Abkhazia, where there have recently been acts of sabotage on the railways. Local railway traffic has been seriously impeded by a grave shortage of electricity. It sometimes takes more than two days to go by train from Tbilisi to Batumi.

Attacks, Food Shortages Reported in Country

Tension Rises in South Ossetia

LD2702135692 Moscow TASS in English 1326 GMT 27 Feb 92

[By ITAR-TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz February 27—The past 24 hours did not change essentially the tense situtation in South Ossetia. Armed groups in remote Ossetian villages in the Tskhinvali and Znauri districts have stepped up their activity, according to republican Interior Ministry reports. Militants in the neighbouring Georgian villages of Nikozi, Tamarasheni, Prisi and Eredvi aimed their fire at remote approaches to Tskhinvali and checkpoints of Interior Ministry troops.

Sergey Khetagurov, chairman of the North Ossetian Council of Ministers, told ITAR-TASS the leaders of North and South Ossetia were taking urgent measures to avert hunger in Tskhinvali. Additional products allotted by the Russian government for South Ossetia arrived in Vladikavkaz. However, there has been no opportunity to ship them through the Rokskiy Pass. The Transcaucasian motor road was damaged in four places by the snow avalanche.

The session of the republican Supreme Soviet held in Vladikavkaz adopted a resolution charging the special parliamentary commission with beginning talks with the provisional government of the Republic of Georgia to define terms for the return of 100,00 [figure as received] refugees to places of their permanent residence in South Ossetia and other parts of Georgia.

Tskhinvali Under 'Blockade'

LD2802092492 Moscow Mayak Radio Network in Russian 0900 GMT 28 Feb 92

[Text] The absolute blockade of Tskhinvali. This report came in today from the press center of the South Ossetia Information Committee. For nearly three weeks now the town has been virtually without transport communications with the outside world. All the main roads, along which aid was coming in from Vladikavkaz, have been cut off and are constantly being shelled by fighters. The circuitous mountain routes have been blocked by avalanches. The situation has been made more complicated by the fact the main transport link—the South Russia-Trancaucasia highway—has been temporary closed. It was put out of action by a large landslide. Reliable sources close to the Supreme Soviet of the South Ossetian Republic have made it known that a protest has been made to the Georgian Military Council from the Ossetian side. It was expressed in connection with the resumption of the shelling of populated areas.

Zugdidi 'Unstable'; Two Killed

AU2802082092 Tbilisi Radio Tbilisi Network in Georgian 0300 GMT 28 Feb 92

[Text] The situation in Zugdidi is unstable. The town's military commander informed us that, during the night of 27 February, Mestia's military plenipotentiary and persons accompanying him to Mestia were attacked in a suburb of Zugdidi. Two people were killed and one was seriously wounded as a result of the confrontation. The criminals managed to escape.

The town's population is in a helpless situation. Citizens are being robbed and attacked.

With the exception of vitally important installations, not a single enterprise and establishment is functioning. School has not resumed.

No Bread in Tsalenjikha

AU2802093792 Tbilisi Radio Tbilisi Network in Georgian 0500 GMT 28 Feb 92

[Text] Yesterday our correspondent in Tsalenjikha [western Georgia] informed us that there were no rallies or demonstrations in the rayon. Nevertheless, tension can be felt. [Words indistinct] due to the lack of fuel, the bread combine has not been working for over one week. Other enterprises and establishments are not functioning. School has not resumed. There continues to be no republican press. In the rayon, [words indistinct] leaders, as yet, have been unable to bring the situation under their control.

Estonia

Parliament Restores 1938 Law on Citizenship

OW2702060492 Moscow BALTFAX in English 1847 GMT 26 Feb 92

[Transmitted via KYODO]

[Text] The Estonian parliament has issued a decree today (February 26) putting back into force from today the 1938 Law on Citizenship (its version enforced on June 16, 1940). The decree was backed by 52 deputies (none of them Russian-speaking); 16 voted against it and seven abstained.

All persons who were Estonian citizens before 1940 as well as their descendants and members of the former's and the latter's families are automatically entitled to Estonian citizenship. Persons who do not belong to this category but have lived in Estonia for no less than two years since March 31, 1992, can apply for Estonian citizenship. Such applications will be considered a year after they were handed in. An applicant will have to be of age, know the Estonian language and formally renounce his or her previous citizenship. The decree prohibits the granting of Estonian citizenship to persons who are in the armed services of foreign states, to former staff members of the USSR KGB, recidivists condemned for grave crimes and persons having no legitimate source of income.

The decree instructs the government to prepare a draft for a document formulating the legal status of aliens and stateless persons. A register of Estonian citizens is to be compiled within two months.

Russian Movement Opposes Proposal

PM2702162292 Moscow PRAVDA in Russian 22 Feb 92 p 1

[Untitled report from PRAVDA-ITAR-TASS roundup]

[Text] The board of the Russian Democratic Movement of Estonia has come out against the draft Resolution "On Estonian Republic Citizens and Foreigners" presented by the government. The draft proposes bringing into force from 24 February the Law on Citizenship of 1938, and considering those persons who had citizenship prior to 16 June 1940 and their direct descendants to be citizens of the republic. Everyone else is considered a foreigner. In effect it is a matter of arbitrarily depriving a half million-strong sector of Estonia's population of citizenship.

Council Debates Ministerial Appointments

LD2502215392 Tallinn Radio Tallinn Network in Estonian 1800 GMT 19 Feb 92

[Excerpts] According to ETA, at its session today the Supreme Council completed the first reading of the law on land tax and the draft criminal code. The Supreme Council adopted a law on rehabilitating those who were repressed outside courts and groundlessly sentenced. According to the law all resolutions of Soviet repressive bodies which repressed citizens of the Republic of Estonia outside courts regardless of the place where the resolution was adopted are null and void. [passage omitted] Feliks Kaasik will dwell a bit on one issue in the hall of sessions of the Supreme Council.

[Correspondent F. Kaasik] I would like to draw the attention of the listeners to a situation which arose today at the Supreme Council and which is worth paying attention to. We are talking about ministerial appointments. The government proposed two nominations to the Supreme Council today, and if Aavo Molder, candidate minister for agriculture did not meet any opposition and was appointed minister of agriculture of the Republic of Estonia with an overwhelming majority of votes then the situation became complex over the next candidature.

Merle (?Krigul) was nominated to the post of minister [in charge of ethnic relations] of the Republic of Estonia. The Supreme Council did not accept this and the corresponding resolution did not gain the required minimum number of votes. [passage omitted]

I have asked Rein Jarlik, Supreme Council deputy, to the microphone so that he would comment on the situation which arose in the Supreme Council. Once the voting results become clear, one of my colleagues shouted: "Look, here we go again." He evidently meant the opposition between the parliament and the premier. Rein Jarlik, do you agree with this view?

[Jarlik] I will probably have to agree to a degree even though nobody has a very clear picture, since the voting was secret. Something indeed became clear from the speeches which were made before the voting, when it became clear that Russian deputies were against the candidature of Merle Krigul, and that was in spite of Premier Tiit Vahi having explained that the duties of the minister are quite different from the ones of the former ethnic relations minister. Evidently quite a noticeable section of the Supreme Council had their own idea of the work spheres for the minister. They alluded to their own candidate. [passage omitted]

So there were 27 votes against. I did not count the number of Russian deputies present in the hall today. [About 25 deputies are Russian.] [passage omitted]

But what is evident is that if the endorsement of Tiit Vahi's government and also the endorsement of Aavo Molder today went relatively smoothly then it really seems that in the future the government need not sail so smoothly any more.

New Officials Named

LD2702215292 Tallinn Radio Tallinn Network in Estonian 1500 GMT 25 Feb 92

[Summary] The government today appointed Andrus Oovel as director general of the border guard department. He ceases to be director general of the state and border defense department as well as chief of general staff of Kodukaitse [home defense]. Internal Affairs Minister Robert Narska replaces former interior minister Olev Laanjarv as commander of Kodukaitse. Jevgeni Golikov was appointed government councillor on information to and from Russia. Riho Sild ceases to be first deputy minister of industry and energy and takes over as director general of Estonian Fuel. The government also decided that Estonian Fuel no longer has the right to set the price of fuel; this will be done by the government price department.

Russian Foreign Ministry Statement Addressed

LD2702224492 Moscow TASS International Service in Russian 1601 GMT 26 Feb 92

[By unidentified ITAR-TASS correspondent]

[Text] Tallinn, 26 Feb (ITAR-TASS)—"Estonia does not intend under any circumstances to rehabilitate those guilty of genocide and other crimes against the people, regardless of whether these crimes were committed in cooperation with Nazi or Soviet repressive bodies." This is expressed in a statement by the press service of the chairman of the Supreme Soviet of the Estonian Republic, which was circulated today in connection with a speech at a briefing on 24 March [as received] by Vitaliy Churkin, head of the information directorate of Russia's Foreign Ministry.

Vitaliy Churkin, says the document, commenting on the law adopted recently in Estonia on "the rehabilitation of persons repressed in an illegal form and groundlessly sentenced," expressed the supposition that this act makes it possible to rehabilitate criminals. The press service of the head of the Estonian parliament, underscores the statement, "is authorized to express profound regret over the fact that such statements are being made on the basis of clearly insufficient and possibly also deliberately distorted information."

'Cornflower' Pact Formed To Restore State

LD2402100292 Tallinn Radio Tallinn Network in Estonian 1500 GMT 20 Feb 92

[Text] Today, a new electoral pact—called the Cornflower—was formed. It is made up of representatives of the Republicans' Assembly Party, the Party of the Repressed, the Association of Orphans, and the Estonian Women's Association, as well as of non-party members. The Knowledge Society has promised support to the Cornflower electoral pact. The news received at the Estonian Radio says that the Cornflower electoral pact welcomes consolidation of right-wing forces in order to restore the Estonian state. The new electoral pact wants to assist the move towards a stabilization of political passions and to focus all attention on true improvements in the population's living standards.

Foreign Currency Account Freeze 'Refuted'

PM2602122092 Moscow KOMSOMOLSKAYA PRAVDA in Russian 22 Feb 92 p 1

[Untitled report from ITAR-TASS, IMA-PRESS, RIA and KOMSOMOLSKAYA PRAVDA roundup under the rubric "Did You Hear? Did You Read?"]

[Text] The president of the Bank of Estonia has refuted a report which had been widely disseminated that the Bank for Foreign Economic Activity [Vneshekonombank] had frozen Estonia's foreign currency account.

Subsidies for Housing, Services Considered

OW2802003192 Moscow BALTFAX in English 1225 GMT 27 Feb 92

[Transmitted via KYODO]

[Text] On February 27 the Estonian Government will consider the lifting of state subsidies for housing and communal services.

The Estonian Government press secretary Neeme Brus says that BF's [BALTFAX] report that rents and cost of communal services will soon go up in Estonia has caused panic among the Etonian population. The report quoted Director General of the Estonian Communal Department Toivo Lippmaa as saying that on March 1 state subsidies for housing and communal service will be lifted sending rents and cost of communal sercies 100 times higher.

The government press service has asked Toivo Lippma to explain the situation. He said that the 100-fold increase is "theoretically possible" taking into account prices on the world market. However, the government has not yet agreed to raise the tariffs and in any case will not allow that to happen. Experts of the Communal Department estimate that the two-room apartment rent, including cost of electricity, heating and other communal services, will be more than 400 rubles a month.

Vietnamese Diplomatic Relations Established

LD2802073992 Tallinn Radio Tallinn Network in Estonian 1800 GMT 20 Feb 92

[Text] Estonia and Vietnam established diplomatic relations today, the press service of the Estonian Embassy in Moscow told ETA. A protocol to this effect was signed by Estonian Ambassador to Russia Juri Kahn and Tuan Tang, Vietnamese charge d'affaires in Moscow. The Vietnamese deputy foreign minister is expected in Estonia at the end of March, notes ETA.

Lalumiere Statement Prompts Official Protest

PM2602165792 Moscow IZVESTIYA in Russian 24 Feb 92 Morning Edition p 2

[Report by Leonid Levitskiy: "Catherine Lalumiere Divides Estonians into 'Pure' and 'Impure'"]

[Text] Tallinn—Catherine Lalumiere, secretary general of the Council of Europe, has called her two day visit to Estonia successful.

She emphasized at a news conference that she now takes a far more optimistic view of the position of ethnic minorities in the republic than she did before her trip.

"I am sure that the Estonian state is taking the right path. I have realized what 38 percent of the population being foreigners means to Estonia and what the background to their presence here is. Many nonindigenous people came to Estonia as occupiers," ETA cites Catherine Lalumiere. "I realize that giving all resident Russians the right to vote could jeopardize the identification of Estonians. It remains for us to put our trust in the common sense of both sides."

While in Tallinn, the secretary general of the Council of Europe met with Estonian Supreme Council Chairman Arnold Ruutel, other leaders of the republic, parliamentarians, and representatives of ethnic minorities. A report will be prepared for the European Council [as published] Committee of Ministers as a result of the trip.

This official information appeared on the day that parliament discussed the draft resolution "On Bringing into Force the Estonian Republic Law on Citizenship." In accordance with the draft, the entire Russian-speaking population, with the exception of a small group of people who have performed special services to the republic, will remain without any citizenship for at least a year. Deputies representing the non-Estonian community tried for all their worth to demonstrate the unreasonable nature of such an approach.

"In the dispute with us, they refer to the authority of the secretary general of the Council of Europe. To her arguments about occupiers and the impossibility of giving the right to vote, in other words civil rights, to all Russians resident in Estonia," Vladimir Kuznetsov, member of parliament and deputy chairman of Narva City Council, said. "We are astounded at and offended by her statement and her virtual support for the most extreme radical forces during these difficult days for the nonindigenous population.

"Has Catherine Lalumiere any idea of those whom she has called foreigners, nonindigenous, and occupiers?" he went on. "They are people who create 65 percent of the republic's national income. They make up almost two-thirds of the workers in the metalworking, machine-building, and instrument-making industries and among construction workers, seamen, and fishermen and almost 90 percent of power industry workers."

A Supreme Council deputies' group adopted an official protest in connection with Mrs. Catherine Lalumiere's statement.

"We hope," V. Kuznetsov said, "that her statements and her attempt to divide people in Estonia along ethnic lines do not reflect the position of the Committee of Ministers and the entire European Council [as published]."

Sentence Suspended for August Coup Plotter

LD2002223992 Tallinn Radio Tallinn Network in Estonian 1800 GMT 17 Feb 92

[Excerpt] According to ETA the Supreme Court found Mikhayl Lysenko guilty today and punished him with deprivation of liberty for one year and six months. Taking into account the alleviating circumstances and the changed situation, the court decided to suspend the sentence for a year and one-half, while setting certain stipulations. As Lysenko has been under arrest for five months, two days, the remaining sentence will be shortened to a year and 28 days. Lysenko will be obliged to register once a month at a police station near his place of residence and to notify his supervisory body of any change of address or job. If he fails to comply with the stipulations in the course of a year and a half, the court sentence may be changed into one that will be carried out. [passage omitted]

Latvia

Prime Minister Godmanis Holds News Conference

OW2702235292 Moscow BALTFAX in English 1813 GMT 27 Feb 92

[Transmitted via KYODO]

[Text] Prime Minister of Latvia Ivars Godmanis predicts sharp price increases for raw materials and components which Latvia receives from Russia following the liberalization of oil products prices expected to take place in Russia April 15. The liberalization will also lead to higher prices on Latvian consumer goods made of Russian raw materials and components.

Godmanis told a news conference in Riga Wednesday [26 February] about the documents on shipments signed in Moscow February 25. He said Russia will supply to Latvia 119 items of products, among them diesel fuel, black oil, aviation gasoline, oil and gas. Latvia will provide Russia with 61 items: milk, fish, vegetables, eggs, some technical equipment, etc. The two sides will settle according to world prices: Dollars will be transferred into rubles. However, they have not yet agreed on the exchange rate: either 25 rubles per dollar, or 50 rubles per dollar. All in all, goods worth 223 billion USD [U.S. dollars] will be traded (in clearing—422 million USD). Latvia expects to receive from Russia some 90,000 tons [as received] of gasoline. The premier

pointed out that Russian fuel would not be enough, so that Latvia will have to establish contacts with Western and Eastern partners.

Godmanis said that Latvia would like Russia to create its own ports network. It is working out a long-term draft agreement on giving Russia the most favored trading status for exports-imports via Latvian ports. However, the Premier categorically rejected the Russian leadership's plans to acquire real estate (land) on the territory of Latvian ports. Godmanis added that in the near future troops of the former Soviet Union are to be withdrawn from the Liepae port.

Republic Border Guards To Establish Control

OW2802003392 Moscow BALTFAX in English 1225 GMT 27 Feb 92

[Transmitted via KYODO]

[Text] Girts Kristovskis, chief of the volunteers' headquarters, told a news conference in Riga February 26 that in March Latvian border guards are to establish full control over the political and economic borders of the republic. Currently, documentation is being worked out for regulating concerted action of Latvian border guards and volunteers on the protection of the border.

On Wednesday [26 February] he issued a decree allowing only the chief of volunteers to carry arms. Rank-and-file volunteers will be given arms only before the fulfilment of concrete combat tasks. Kristovskis pointed out that in order to receive arms a volunteer should pass rigorous medical and shooting tests.

Majority of Army To Serve as Border Guards

LD2802092392 Moscow POSTFACTUM in English 1719 GMT 27 Feb 92

[From the "Military News" section]

[Text] Riga [dateline as received]—Out of the future 8-9 thousand-strong army in Latvia, 5-6 thousand will serve as frontier guards. According to sources in the Latvian parliamentary commission for the defense and the interior, the republic is not going to keep a strong army, which is to be reflected in the currently developed concept of the state defense and security.

Procommunist Forces Reorganizing in Republic

LD2802001992 Riga Radio Riga Network in Latvian 1400 GMT 20 Feb 92

[Excerpt] [Auseklis Plavins] head of the information and foreign relations administration at the Latvian Ministry of Defense, told a BALTIC NEWS SERVICE correspondent that in the past month the consolidation of procommunist forces hostile to Latvia's independence has been observed in Latvia. At plants and enterprises where, since the banning of the Communist Party of Latvia last September, there still remain convinced communists, local Communist Party organizations are said to be reforming. At the beginning of February in some regions of Latvia secret letters were obtained marked top secret and to be burned after reading, signed by various organizations banned in September. Interfront, the Council of War and Labor Veterans, the operations center of the Latvian Communist Party, and others. The letter notes that a collection of weapons and ammunition must be made, stores must be created for them, and plans for all possible alternatives must be worked out. It is suspected that such letters have been sent to other regions of Latvia as well.

Continuing to work underground is the former State Security Committee's agency, now offering information to Russia. Former staff members of the State Security Committee are successfully establishing themselves at work within the Latvian internal affairs systems or even with private detective and security firms. Former war veterans are also being activated, now united in the Association for the Defense of Veterans' Rights and the Association of Latvian Riflemen's Corps Veterans. [passage omitted]

Lithuania

Issues Impacting on Troop Withdrawal Viewed

PM2602152192 Moscow IZVESTIYA in Russian 25 Feb 92 Morning Edition p 1

[Report by Nikolay Lashkevich: "First Military Subunit Being Withdrawn From Lithuania"]

[Text] Vilnius—The withdrawal of troops from Lithuania begins Tuesday 25 February—Colonel General V. Mironov, commander of the Northwestern Group of Forces, stated this officially in a telegram to A. Butkevicius, Lithuanian Republic minister for territorial protection. The first Armed Forces subunit to be withdrawn from Lithuania will be the formation stationed in the settlement of Mickunai, several kilometers from Vilnius. According to available data, an air defense division armed with antiaircraft rocket launchers is stationed there. Mironov invited the Lithuanian minister to a ceremony to mark the withdrawal, and he advocated that assistance be provided in carrying out the operation.

In his message of reply Butkevicius promised to provide the necessary assistance, but at the same time he stressed that the fact of the withdrawal can only be established when the deployment site is totally handed over to republic jurisdiction.

Thus the date for the withdrawal of the troops from the republic's territory—in February of this year—which had previously seemed unrealistic and which was stipulated in the communique on the working meeting of Lithuanian and Russian state delegations three weeks ago, will in all probability be observed. And although

certain observers in Lithuania believe that the withdrawal of such an insignificant—in terms of size—subunit is of a somewhat symbolic nature, nevertheless no one can say that Russia is not carrying out the commitments it has assumed, or that it is not as good as its word.

The question of border protection remains unresolved inasmuch as the CIS has still not determined definitively exactly whose command the border troops will come under. Joint forces are continuing to carry out border control on the Lithuanian borders. So far only the customs house at Lazdijai border post on the border with Poland has been completely transferred to the command of the Lithuanian Customs Service.

One can assume that misunderstandings on the border, even local ones, will not be conducive to constructive dialogue between the delegations and their groups of experts on the troop withdrawal problem. V. Landsbergis's utterance on the need to withdraw the Army from Kaliningrad Oblast, which he made in his speech during the Independence Day celebrations, will scarcely assist in this either. And although his words did not by any means sound like an insistent demand to withdraw the troops, as they were assessed in Moscow, nevertheless they could introduce a destructive element into the talks, particularly if everyone interprets them in their own way. In particular, they may serve as a signal for right-wing political forces to mount a major campaign against the stationing of troops in the neighboring Russian oblast, and indeed in Lithuania itself.

The idea of creating a Baltic Republic on the territory of Russia's western oblast, which Yu. Matochkin, head of the Kaliningrad Oblast Administration, supported in an interview on local television, may also serve as an obstacle to dialogue. That is another piece of news to which Lithuania is reacting with vigilance, because if this idea is put into practice, Lithuania's geopolitical contours will change sharply. On the other hand it may stir up a wave of territorial claims to Kaliningrad Oblast—the so-called little Lithuania, where many Lithuanians live—by part of the Lithuanian public. So any abrupt political movements will not be to the advantage of bilateral relations, and they will particularly not be to the advantage of the as yet undeveloped plans for withdrawal of the troops.

So the redeployment of the first military subunit from the Baltic countries has begun. What next?

Withdrawal Plans Change

LD2802110192 Vilnius Radio Vilnius International Service in Lithuanian 0200 GMT 28 Feb 92

[Text] It became clear today that the leadership of the former Soviet antiaircraft defense battalion deployed in Mickunai was changing its plans. It will most likely attempt to formally withdraw this small unit from Lithuania by the end of this month. At 1630 today, the last piece of military equipment—an automatic crane—left the Mickunai unit.

A Vilnius Radio correspondent has been informed by the deputy commander of the battalion, Major Vladimir Chudin, that all the equipment of the battalion—36 armament units and 15 trailer units—are situated at Visoriai, a military unit on the outskirts of Vilnius. According to Major Chudin, on the morning of 28 February, the battalion will leave in a northeastern direction and will cross the Lithuanian state border behind Zarasai.

According to unconfirmed sources, the battalion will be deployed in Pskov Oblast in Russia. Major Chudin told Vilnius Radio that the former battalion's territory would be soon handed over to Lithuania. Until this happens, the territory is guarded by several soldiers of the former Soviet Army.

As we have reported, the commander of the Mickunai battalion, Colonel Vladimir Gerasimov, announced last Monday that his unit will move from Lithuania during the night of 3-4 March. This means that the previous agreement between participants in the state delegations—that the first unit be withdrawn in February—would have been violated.

At present, it seems that the only obstacle to confirming the withdrawal of the Army in accordance with the agreement may be whether the battalion territory will be handed over to Lithuania, in accordance with the agreed order. Apart from that, the chairman of the Lithuanian Parliament, Vytautas Landsbergis, and Russian President Boris Yeltsin agreed in the middle of January that the army withdrawal should start from Vilnius. But the delegations of negotiators have not agreed on this.

This evening the government telegraph agency ELTA made public a report pointing out that not handing over battalion territory according to the agreed order may supply grounds for Lithuania to regard that Russia has not complied with the mutual agreement. According to this report, Russian Army representatives failed to come to the Ministry of National Defense today to finalize the bilateral inspection of the unit's territory. Yesterday, Russian Army representatives, having arrived for this purpose, stated that they had no authorization to sign any such document.

According to ELTA, military equipment left Mickunai today without advanced warning either to the Ministry of National Defense or to police. The Ministry of National Defense has not been informed about the removal of military equipment from the unit in Visoriai, or about transfer of territory in Mickunai, says ELTA.

Late in the evening Deputy Minister of National Defense Jonas Pauzuolis told Vilnius Radio that, according to the mutual agreement, the unit to be withdrawn may cross the state border only after obtaining his permission, as

the person authorized by government, on the issue of the army withdrawal. As of this evening, nobody had asked for any such permission.

Vagnorius Predicts Internal Market Revival

LD2502122792 Vilnius Radio Vilnius International Service in Lithuanian 2200 GMT 18 Feb 92

[Text] Prime Minister Gediminas Vagnorius expressed his conviction that success will be attained soon in reviving goods and currency circulation within Lithuania's internal market. In a television address this evening, the prime minister termed the current situation "interesting." According to him, "a large quantity of goods has accumulated in trade enterprises and bases and their reserves are currently considerably higher than customary ones. However, many are unable to purchase them because of high prices and a shortage of banknotes. Due to the second reason, payment of service wages is also being delayed."

According to Gediminas Vagnorius, "while living under market conditions this type of situation can only be regulated through financial levers," however, according to the prime minister, "they do not function sufficiently effectively, yet."

The prime minister pointed to the bank interest policy which has not changed much during the past few years as being one of the causes of the chaotic goods and currency circulation. Currently, Lithuanian banks are calculating [word indistinct] six percent yearly interest rates while inflation rates are being calculated [word indistinct] in hundreds percent. "Under such circumstances," according to the prime minister, "it is to the traders interest not to sell goods [?right away] since goods that are kept around attain more value through inflation and the traders [?pay interest] for credit to purchase them." Gediminas Vagnorius described such a situation as temporary and noted that the soon [word indistinct] of interest will have to [word indistinct] from the banks interest norms, especially for credits to the tradesmen, so that the interest would beat least somewhat higher than the rate of inflation. The prime minister has promised that the equilibrium will be restored—money will appear, while the prices of some of the goods will drop slightly.

Vagnorius Interviewed on Russian Relations

LD2702181892 Vilnius Radio Vilnius Network in Russian 1300 GMT 27 Feb 92

[Interview with Lithuanian Prime Minister Gediminas Vagnorius by unidentified Lithuanian correspondent; place and date not given—recorded]

[Excerpts] [Correspondent] During the debate in parliament, the point was made that enterprises were having to stop work because of shortages of raw materials, and that it was possible that not all the planned revenue would be paid into the budget. Today you met with the managers of some big Lithuanian enterprises. Were any new ideas voiced?

[Vagnorius] During the last two months, the Republic of Lithuania has been trying to fulfill all the obligations made to our partners in Russia. Unfortunately, I have to point out that we have not yet managed to settle the issue of deliveries from Russia to Lithuania. Although we have received promises from President Yeltsin and we have written and verbal agreements with Deputy Prime Minister Gaydar, matters are proceeding with great difficulty.

I think I will talk to Mr. Gaydar today, and somehow we will have to solve these questions: Will the Russian Government make it possible for our enterprises to purchase the resources they need? Will they pay for the goods delivered to Russia, because there are many instances of our enterprises, including some of those whose managers came to see me today, not receiving tens of millions—sometimes even hundreds of millions—of rubles from the banks in Russia? This causes us concern.

I think we have arrived at a point when we have to make the Russian Government understand that we have to come to some decision. This situation—when some enterprises can make purchases and others cannot, when the railroads make deliveries to some enterprises but not to others—cannot continue. If there is no possibility or desire to observe normal trading practices, the Lithuanian Government will of course be unable to continue with its present policy, and will not be able to ensure the normal functioning of our enterprises directed at meeting the trade obligations made to Russian enterprises. [passage omitted]

[Correspondent] If Russia fulfills the agreement on the withdrawal of troops after all, and the withdrawal of troops begins, who will be in charge of the property left behind?

[Vagnorius] There is no single answer to this. Essentially, our Defense Ministry will of course be in charge. [sentence indistinct] Some enterprises will be subordinated to the Trade Ministry—some have already been subordinated—or to the Transportation Ministry, because our servicemen do not need all the installations which once belonged to the Soviet military industrial complex. However, installations which have a direct bearing on improving deliveries of supplies to servicemen will of course be transferred to the jurisdiction of the Defense Ministry. [passage omitted]

Oil to Mazeikiai Refinery Interrupted Again

LD2802092792 Vilnius Radio Vilnius International Service in Lithuanian 0200 GMT 28 Feb 92

[Text] This afternoon Russia once again interrupted the supply of oil to the Mazeikiai oil refinery. Lithuanian Radio has been told by the controller on duty at that enterprise that the supply of oil has been stopped

because the quantity of oil allocated for February has been reached. The enterprise has stocks of crude oil for 24 hours only and, most likely, tomorrow it will cease production.

The enterprise does not have information on whether the supply of oil would be resumed in the first days of March. Representatives of the Lithuanian Government appealed to the Russian Government stressing that such actions may harm Russia's international prestige.

Nationalist Statement Presented in Council

LD2602110992 Vilnius Radio Vilnius Network in Lithuanian 1700 GMT 25 Feb 92

["Joint statement by the Supreme Council nationalist faction and the supreme administration of the Lithuanian Nationalist Association" presented by Deputy Algimantas Sejunas to the Lithuanian Supreme Council in Vilnius on 25 February—recorded]

[Excerpts] [Passage indistinct] Acting together with the revanchist forces within the country and in the East, they are attempting to destabilize in every way the political social and economic situation in Lithuania. They are attempting to interrupt and [word indistinct] the activity of Lithuania's administration and administrative organs and to [word indistinct] the nation's aspirations. [passage omitted]

New monopolistic economic structures are evolving, into whose hands much of Lithuania's wealth is falling. [passage omitted] The increasingly strong blockade from the East, the weakness of the executive administration, the crisis in the financial system, growing unemployment, the increase in criminal and economic crime, the helplessness of the legal system [words indistinct] to a very dangerous limit. [passage omitted]

Statewide radical reform, order, discipline and responsibility are imperative. Lithuania needs a president and state and government leaders with actual powers, without delay.

We support a referendum on the restoration of the institution of the presidency. However, according to the laws currently in effect a president can be elected only at the end of the current year. Such a delay is dangerous.

We want to stop the process of political and econonic disruption. We propose that the Supreme Council confer without delay prior to the constitutional [?backing] and general presidential elections upon the chairman of the Supreme Council Professor Vytautas Landsbergis the presidential powers envisioned by the Sajudis Seimas Council. [passage omitted]

We think that the president of the Republic of Lithuania and a presidential council parliament and government formed by him should tighten as soon as possible the responsibility for criminal and economic abuses by officials and service-related [passage indistinct] to prohibit Supreme Council deputies and state and municipal government officials from engaging in commercial activity; to adopt the prepared law concerning [word indistinct] limitations regarding assuming duties in state service; to reorganize Lithuania's financial system; [passage indistinct] to form withoud delay a customs service that would protect the Lithuanian state rather than the egotistical interests of individuals; [passage omitted] to establish and arm a Lithuanian Army and to ensure it would be commanded by loyal [passage indistinct]

Center Faction Responds

LD2702143992 Vilnius Radio Vilnius Network in Lithuanian 0700 GMT 27 Feb 92

[Text] A statement issued by the Supreme Council Nationalist faction and the Supreme Administration of the Lithuanian Nationalist Association was read at the plenary session two days ago. Yesterday in response, the Sajudis Center faction issued a statement made by Chairman Aloyzas Sakalas. Here is the statement:

[Begin Sakalas recording] The statement issued by the Lithuanian Nationalist Union and the Nationalist faction of the Supreme Council on 29 February 1992 should be regarded as an ultimatum to Lithuanian democracy and an open inducement of authoritarianism. The statement maintains that Lithuania needs a president now and without delay and that the presidential powers envisaged by the Sajudis Seimas Council should be urgently granted by the Supreme Council to Professor Vytautas Landsbergis, chairman of the Supreme Council, before the adoption of the constitution and nationwide presidential elections. Such a position adopted by the Nationalist Union is dangerous and is coming nearer to the activity of their predecessors in 1926 when the state coup was being prepared. In this connection, it is worth reminding that the reestablished Lithuanian Tautininkai Union and the Nationalist faction of the Supreme Council has never assessed publicly the state coup of 17 December 1926 and the nationalist authoritarian regime in Lithuania in the period from 1926 to 1940.

The Sajudis Center faction draws the attention of the Supreme Council deputies and the people of Lithuania to the above statement which extends the work started by the Sajudis third congress in a new aspect. The statement runs counter to the Sajudis election program and is a threat to the establishment of the democratic order in Lithuania. We invite the Supreme Council deputies to adhere to the decision adopted by the Supreme Council concerning the development of the constitutional process and to elect the president of Lithuania only after adoption of the constitution where the presidential powers and the election order will be defined. [end recording]

Spending Discussed, Budget Incomes Approved

OW2702053892 Moscow BALTFAX in English 1352 GMT 26 Feb 92

[Transmitted via KYODO]

[Text] The Lithuanian parliament has approved of the income part of the republican budget for 1992 totalling 29,627,200,000 roubles. The figure is higher than the original one by 2,20,700,000. Budget incomes are expected to grow as a result of higher taxes. At the same time parliament decided to raise VAT from 15% to 18% as of July 1. This measure will account for an additional 850m [million] rouble increase.

On February 26 the Lithuanian parliament has been discussing government spending. It has already decided to cut the money spent on parliament by 15%. The financing of the parlaiment's security service will be cut by 20%.

Bank Activities Investigation Authorized

OW2802002992 Moscow BALTFAX in English 1225 GMT 27 Feb 92

[Transmitted via KYODO]

[Text] Lithuanian Prime Minister Gediminas Vagnorius has authorized the Prosecutor's Office of Lithuania to launch an investigation into operations carried out by the Bank of Lithuania.

The government has repeatedly accused the bank's administration of being involved in machinations with printing of the national currency, Lits. The Lithuanian parliament has set up a special commission for investigating the bank's activities.